

KANSAS OFFICE of
REVISOR of STATUTES

LEGISLATURE of THE STATE of KANSAS
Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

MEMORANDUM

To: Chairman Sutton and the Senate Committee on Financial Institutions and Insurance

From: Office of Revisor of Statutes

Date: February 12, 2024

Subject: **HB 2714, Reducing the number of appointed board members on certain insurance-related governing boards and the frequency of meetings of the committee on surety bonds and insurance.**

HB 2714 would grant the commissioner of insurance to decrease the number of appointed board members on certain boards that fall under the commissioner's appointing authority. For each of the boards listed below, the currently appointed and serving board members would finish serving their terms on December 31, 2024, regardless of when each board member's term would end. The commissioner would then appoint a new board with members each having terms of three years. In appointing each of the respective board members, the commissioner would be required to consider if foreign and domestic insurers are fairly represented on each board. Finally, each board would have the same powers, duties and functions as its predecessor board; however, board members would now be removable for inefficiency, neglect of duty or malfeasance.

The affected boards are as follows:

Sec. 1: The governing board of the automobile and motor vehicle bodily injury and property damage liability insurance plan (K.S.A. 40-2102). Members decrease from seven to five.

Sec. 2: The governing board of worker's compensation and employer's liability insurance plan (K.S.A. 40-2109). Members decrease from seven to five.

Sec. 3: The governing committee of assigned claims plan for personal injury protection benefits (K.S.A. 40-3116). Five members as of January 1, 2025.

Sec. 4: The governing board if the plan for equitable apportionment of risk among insurers of applicants for professional liability insurance. Members decrease from nine to five members.

Sec. 5: The governing body for third party liability insurance plan. Members decrease from five to three.
Technical amendment requested to insert "member" on page 12, lines 28, 29 and 30

The bill also removes a requirement for the committee on surety bonds and insurance to meet at least once per month. Meetings will remain at the call of the chair.