

January 30, 2012

The Honorable Ruth Teichman, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Teichman:

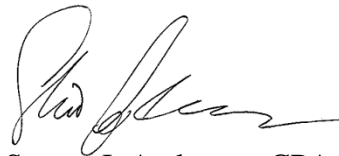
SUBJECT: Fiscal Note for SB 273 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 273 is respectfully submitted to your committee.

Under current law, the maximum amount that may be paid for outside consulting fees by an insurance company for the examination of a domestic insurance company is \$25,000. SB 273 would increase the cap from \$25,000 to \$100,000 for those Kansas insurance companies having gross premiums of less than \$50.0 million. For those insurance companies having gross premiums of more than \$50.0 million, there would be no cap.

According to the Kansas Insurance Commissioner, enactment of SB 273 would have no fiscal effect on the state. Any additional costs related to outside consulting fees would be paid by insurance companies.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Zac Anshutz, Insurance