



Testimony in Support of Senate Bill 85 Electronic Proof of Insurance

By William A. Larson
Kansas Association of Insurance Agents (KAIA)

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Mr. Chairman and Members of the Committee,

Thank you for allowing me to appear before you today in support of Senate Bill 85. My name is Will Larson. I am an attorney who works on legal and legislative policy issues for the Kansas Association of Insurance Agents (KAIA). KAIA represents more than 550 independent insurance agencies in Kansas. Together, our member agencies employ more than 3,000 licensed agents in local communities throughout our state.

Senate Bill 85 is a simple bill with a simple purpose:

- To modernize our state's laws regarding proof of insurance, and
- To reduce unnecessary burdens on the consumer and local law enforcement

This bill would allow people to display proof of insurance on a cell phone or any other type of portable electronic device. If a person is stopped by a law enforcement officer, has to register a vehicle, is involved in an accident or is required to show proof of financial security to the Motor Vehicle Division, he or she would be able to do so - under this bill - by displaying a proof of insurance form on their cell phone or another portable electronic device, such as a tablet, Ipad or laptop computer.

Modernizing Kansas law

We are unquestionably moving toward a more paperless society. Whole generations of particularly young people in this state and, indeed, in this country do almost all of their business on smart phones, Ipads, tablets or laptops. This bill is simply a recognition of that fact. Currently, seven states allow for electronic proof of insurance. At least 21 additional states are considering such legislation.

In drafting this bill we researched all the various statutes under which a person may be required to show proof of insurance or financial security. We then simply added language that would allow a person display such proof on their cell phone or other type of portable electronic device. We also inserted language that prohibits law enforcement officers - or other government employees who may be viewing this information - from viewing any other content on the person's portable electronic device in order to protect the privacy of the individual.

In the bill, we purposely did not define the phrase "portable electronic device" for two reasons: (1) because the term is utilized in other statutes, and (2) because the development of new types of electronic devices is so rapid, a more narrow definition could exclude use of perfectly acceptable devices that might be developed in the future.

Reducing unnecessary burdens

This bill also has the potential to reduce the time and costs associated with not having paper proof of insurance. Currently, if a person is stopped by law enforcement, asked to produce proof of insurance and does not have the paperwork with them to do so, the person is issued a citation. In order to avoid a conviction for failure to provide proof of insurance, the person must go to the police department or courthouse and provide documentation to prove they had insurance at the time of the citation. We believe such instances would be reduced under this bill, thereby, increasing time and cost efficiencies not only for consumers, but also for state and local government.

For all the foregoing reasons, we ask for your support of Senate Bill 85. Thank you again for the opportunity to appear before you today. I would stand for any questions from the committee.