



Jon Hummell, Interim Director

Division of the Budget

Sam Brownback, Governor

January 29, 2014

The Honorable Clark Shultz, Chairperson
House Committee on Insurance
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Shultz:

SUBJECT: Fiscal Note for HB 2514 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2514 is respectfully submitted to your committee.

HB 2514 would alter the priorities in the liquidation of insolvent insurance companies where the Federal Home Loan Bank is a secured creditor. The bill would prohibit a Federal Home Loan Bank from being stayed, enjoined, or enforcing any right or cause of action regarding collateral pledge under any Federal Home Loan security agreement during an insurance company liquidation.

According to the Kansas Insurance Department, enactment of HB 2514 would not have an effect for the agency or any other state agency. However, the agency notes that the bill could affect the Federal Home Loan Bank and competing creditors in the case of an insurance company liquidation.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell".

Jon Hummell,
Interim Director of the Budget

cc: Zac Anshutz, Insurance