AN ACT concerning insurance; relating to mutual insurance companies organized to provide healthcare liability insurance; affiliate transfer policies.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) A company organized pursuant to article 12a of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, may, upon 90 days' written notice to the insured and the agent of record, transfer coverage of the insured to an affiliate insurer authorized in Kansas to issue policies for the same exposures under any property and casualty insurance policy that is used primarily for business or professional needs. Such transfer shall not constitute a policy nonrenewal or cancellation if the: (1) Transfer is without any interruption in coverage; and (2) premium charged by the affiliate is no higher than the current rate charged by the affiliate for the same classification for the duration of the policy term.

(b) This act shall be part of and supplemental to article 12a of chapter 40 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.