

As Amended by Senate Committee

Session of 2019

HOUSE BILL No. 2209

By Committee on Insurance

2-8

1 AN ACT concerning the state board of regents; pertaining to cybersecurity
2 insurance; authorizing the purchase thereof; amending K.S.A. 2018
3 Supp. 75-4101 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2018 Supp. 75-4101 is hereby amended to read as
7 follows: 75-4101. (a) There is hereby created a committee on surety bonds
8 and insurance, which shall consist of the state treasurer, the attorney
9 general and the commissioner of insurance or their respective designees.
10 The commissioner of insurance shall be the chairperson of the committee
11 and the director of purchases or the director's designee shall be *the ex*
12 *officio* secretary. The committee shall meet ~~on~~ *upon the* call of the
13 chairperson and at such other times as the committee shall determine but at
14 least once each month on the second Monday in each month. Meetings
15 shall be held in the office of the commissioner of insurance. The members
16 of the committee shall serve without compensation. The secretary shall be
17 the custodian of all property, records and proceedings of the committee.
18 Except as provided in this section and K.S.A. 74-4925, 74-4927, 75-6501
19 through 75-6511 and 76-749, and amendments thereto, no state agency
20 shall purchase any insurance of any kind or nature or any surety bonds
21 upon state officers or employees, except as provided in this act. Except as
22 otherwise provided in this section, health care coverage and health care
23 services of a health maintenance organization for state officers and
24 employees designated under K.S.A. 75-6501(c), and amendments thereto,
25 shall be provided in accordance with the provisions of K.S.A. 75-6501
26 through 75-6511, and amendments thereto.

27 (b) The Kansas turnpike authority may purchase group life, health
28 and accident insurance or health care services of a health maintenance
29 organization for its employees or members of the highway patrol assigned,
30 by contract or agreement entered pursuant to K.S.A. 68-2025, and
31 amendments thereto, to police toll or turnpike facilities, independent of the
32 committee on surety bonds and insurance and of the provisions of K.S.A.
33 75-6501 through 75-6511, and amendments thereto. Such authority may
34 purchase liability insurance covering all or any part of its operations and
35 may purchase liability and related insurance upon all vehicles owned or
36 operated by the authority independent of the committee on surety bonds

1 and insurance and such insurance may be purchased without complying
2 with K.S.A. 75-3738 through 75-3744, and amendments thereto. Any
3 board of county commissioners may purchase such insurance or health
4 care services, independent of such committee, for district court officers
5 and employees any part of whose total salary is payable by the county.
6 Nothing in any other provision of the laws of this state shall be construed
7 as prohibiting members of the highway patrol so assigned to police toll or
8 turnpike facilities from receiving compensation in the form of insurance or
9 health maintenance organization coverage as herein authorized.

10 (c) The agencies of the state sponsoring a foster grandparent or senior
11 companion program, or both, shall procure a policy of accident, personal
12 liability and excess automobile liability insurance insuring volunteers
13 participating in such programs against loss in accordance with
14 specifications of federal grant guidelines. Such agencies may purchase
15 such policy of insurance independent of the committee on surety bonds
16 and insurance and without complying with K.S.A. 75-3738 through 75-
17 3744, and amendments thereto.

18 (d) Any state educational institution as defined by K.S.A. 76-711, and
19 amendments thereto, may purchase insurance of any kind or nature except
20 employee health insurance. Such insurance shall be purchased on a
21 competitively bid or competitively negotiated basis in accordance with
22 procedures prescribed by the state board of regents. Such insurance may
23 be purchased independent of the committee on surety bonds and insurance
24 and without complying with K.S.A. 75-3738 through 75-3744, and
25 amendments thereto.

26 (e) (1) The state board of regents may enter into one or more group
27 insurance contracts to provide health and accident insurance coverage or
28 health care services of a health maintenance organization for all students
29 attending a state educational institution as defined in K.S.A. 76-711, and
30 amendments thereto, and such students' dependents, except that such
31 insurance shall not provide coverage for elective procedures that are not
32 medically necessary as determined by a treating physician. The
33 participation by a student in such coverage shall be voluntary. In the case
34 of students who are employed by a state educational institution in a student
35 position, the level of employer contributions toward such coverage shall be
36 determined by the board of regents.

37 (2) The state board of regents is hereby authorized to independently
38 provide, through self-insurance or the purchase of insurance contracts,
39 health care benefits for employees of a state educational institution, as
40 such term is defined in K.S.A. 76-711, and amendments thereto, when the
41 state health care benefits program is insufficient to satisfy the requirements
42 of 22 C.F.R. § 62.14, as in effect upon the effective date of this section.
43 Such healthcare benefits shall be limited to only those for whom the state

1 health care benefits program does not meet federal requirements.

2 (3) *The state board of regents may purchase cybersecurity insurance*
3 *as it deems necessary to protect student records, labor information and*
4 *other statutorily protected data that the board maintains, independent of*
5 *the committee on surety bonds and insurance and without complying with*
6 *the provisions of K.S.A.75-3738 through 75-3744, and amendments*
7 *thereto. As used in this paragraph, "cybersecurity insurance" includes, but*
8 *is not limited to, first-party coverage against losses such as data*
9 *destruction, denial of service attacks, theft, hacking and liability coverage*
10 *guaranteeing compensation for damages from errors such as the failure to*
11 *safeguard data.*

12 ~~(3)~~ (4) The state board of regents may adopt rules and regulations
13 necessary to administer and implement the provisions of this section.

14 Sec. 2. K.S.A. 2018 Supp. 75-4101 is hereby repealed.

15 Sec. 3. This act shall take effect and be in force from and after its
16 publication in the ~~Kansas register~~ **statute book**.