

January 25, 2023

The Honorable William Sutton, Chairperson  
House Committee on Insurance  
300 SW 10th Avenue, Room 218-N  
Topeka, Kansas 66612

Dear Representative Sutton:

**SUBJECT:** Fiscal Note for HB 2089 by House Committee on Insurance

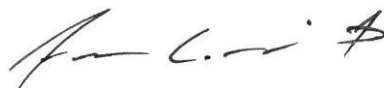
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2089 is respectfully submitted to your committee.

Under current law, a person who holds a certificate of registration for a prepaid legal or dental service plan issued by the Insurance Commissioner makes an application for certificate on a form prescribed by the Commissioner and pays a filing fee of \$100. HB 2089 would additionally require a list of individuals who solicit memberships on behalf of the prepaid service plan. HB 2089 would also no longer require registered individuals who solicit memberships to pay an annual continuation fee of \$2.00.

Under current law, for the certificate of registration to be continued, the Commissioner must be notified along with a \$50 annual continuation fee. HB 2089 would additionally require the Commissioner be advised of any additions or deletions since the last reporting date of individuals who solicit memberships. The bill would change the date in which a certificate of registration would not be issued to or continued for a prepaid service plan from the effective date of the creation of KSA 40-4201 et seq. to July 1, 2023.

The Kansas Insurance Department indicates that enactment of HB 2089 would reduce revenues into its Insurance Department Service Regulation Fund because the bill would no longer require individuals to pay an annual fee of \$2.00 to solicit memberships. Therefore, the agency estimates the reduction would be approximately \$128 per year starting in FY 2024. Any fiscal effect associated with HB 2089 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Bobbi Mariani, Insurance Department