

HCS HB 709 -- INFORMATIONAL DOCUMENTS ISSUED BY THE DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

SPONSOR: Gosen

COMMITTEE ACTIONS: Voted "Do Pass" by the Standing Committee on Property, Casualty, and Life Insurance by a vote of 6 to 4. Voted "Do Pass with HCS" by the Select Committee on Insurance by a vote of 10 to 0.

This bill allows the Department of Insurance, Financial Institutions and Professional Registration to issue non-binding informational documents to insurers. The department may issue informal bulletins for the purpose of educating the insurance industry and the general public about a regulatory topic or issue.

The bill allows the department to issue a no-action letter stating the intention of the department to not take enforcement actions to a particular insurer based on a specific set of facts presented by the insurer under applicable law as of the date of the issuance of the letter. If there is not a change in any material fact or law or a discovery of a material misrepresentation or omission made by the insurer, the department is estopped from bringing any enforcement action against an insurer who has been issued a no-action letter concerning the conduct that is the subject of the no-action letter.

PROPONENTS: Supporters say that this bill will allow the Department of Insurance, Financial Institutions, and Professional Registration to issue bulletins and no-action letters addressing the business of insurance in the state and will allow insurers to seek information from the department through these means.

Testifying for the bill were Representative Gosen; Anthem, Inc.; Blue Cross and Blue Shield of Kansas City and Missouri Insurance Coalition.

OPPONENTS: There was no opposition voiced to the committee.