

HCS#2 HB 1703 -- INSURANCE POOLING

SPONSOR: Yates

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Insurance Policy by a vote of 14 to 0.

This substitute specifies that three or more political subdivisions forming a business entity for the purpose of providing liability and other insurance are not to be considered an insurance company or insurer.

FISCAL NOTE: No impact on state funds in FY 2007, FY 2008, and FY 2009.

PROPOSERS: Supporters say that the bill will clear up any ambiguity and allow MARCIT to operate its health and dental pool with Kansas State political subdivisions. Being located in the Kansas City area, MARCIT needs to be able to go across state lines to help expand its business and make the pool stronger and more viable. The bill will give it more flexibility to control the self-insuring governmental pool.

Testifying for the bill were Representative Yates; and MARCIT.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that excluding these entities from Missouri's insurance laws may overstep the boundaries.

Others testifying on the bill was Department of Insurance.

Marc Webb, Legislative Analyst