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MEMORANDUM

To: Chairman Longbine and the Senate Committee on Financial Institutions and Insurance

From: Office of Revisor of Statutes

Date: February 29, 2024

Subject: **HB 2532**, Changing certain reporting requirements of group-funded liability and workers compensation pools.

HB 2532 modifies the reporting requirements of group-funded liability and group-funded workers compensation pools. The bill passed the House Committee of the Whole on a vote of 118 to 2 on February 8, 2024.

Currently, under K.S.A. 12-2620, group-funded liability pools are required to annually submit a certified independent audited financial statement not later than 150 days after the end of the fiscal year. SB 338 would grant a longer time period for the report to be submitted, changing the timeframe from 150 to 180 days after the end of the fiscal year.

Similarly, under K.S.A. 44-584, group-funded workers' compensation pools are required to annually submit a certified independent audited financial statement not later than 150 days after the end of the pool's fiscal year. Again, SB 338 would grant a lengthier period for submission of the report from 150 to 180 days after the end of the fiscal year.

Finally, under K.S.A. 44-590, when an individual member of a workers' compensation pool terminates or has their coverage canceled, the pool is required to notify the commissioner within 10 days of the cancelation and maintain the member's coverage for 30 days or until the commissioner gives notice that the canceled or terminating member has procured workers' compensation or employer's liability insurance. SB 338 would remove the requirement to notify the commissioner that the member has canceled or terminated coverage and requires the pool to maintain coverage for 30 days or until the canceled or terminating member has procured workers' compensation or employer's liability insurance.