



KANSAS
INSURANCE
DEPARTMENT

Vicki Schmidt, Commissioner

Proponent Testimony SB 291 – Investigative and Subpoena Authority for Insurance

February 6, 2020

Chairman Olson and Members of the Committee,

Thank you for the opportunity to submit testimony in support of SB 291. There are two components to SB 291 and both are designed to further complete the integration of the Insurance and Securities staff envisioned in the 2017 legislation.

Currently, investigators in the securities division are law enforcement officers and the securities division has subpoena authority when conducting investigations. The anti-fraud division on the insurance side does not have subpoena authority and the investigators are not law enforcement officers.

The difference in authority makes it difficult to cross train employees and integrate the two investigation divisions. Currently, we have established a memorandum of understanding between the securities division and the insurance department that utilizes the securities division's statutory authority to enable them to work closely together on criminal investigations of insurance and securities law violations, and to fully enable such joint efforts. However, the intent of this legislation is to remove the work around and make it clear through statute that both divisions have the same resources for cross training and investigative purposes.

Thank you for the opportunity to submit testimony in support of SB 291 and I would be happy to take questions at the appropriate time.

Lee Modesitt
Director of Government Affairs & Communications

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