

HOUSE BILL No. 2537

AN ACT concerning the insurance department; relating to the Kansas administrative procedure act; requiring a hearing at the request of any person subject to an order; amending K.S.A. 40-281 and repealing the existing section.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. K.S.A. 40-281 is hereby amended to read as follows: 40-281. (a) The commissioner of insurance is hereby authorized to hold a fact-finding hearing on any matter relating to the business of insurance; whenever ~~he~~ *the commissioner* shall have reason to believe that such a proceeding ~~by him~~ would be in the public interest. The commissioner shall give to all interested parties reasonable notice of any such hearing, and ~~said~~ *such* notice shall contain the time, place and purpose of the hearing. Notice of the hearing may be sent by registered mail, and any hearing held in accordance with notice thereof shall not be affected by the failure of any party to attend or remain in attendance.

(b) At the time and place fixed for such hearing, all interested parties shall have an opportunity to be heard and to present such material as the commissioner deems relevant to the matter at issue, but the observance of formal rules of pleading or evidence at any such hearing shall not be required unless requested by any party subpoenaed to appear at such hearing. The commissioner may adjourn any hearing from time to time by announcement thereof at the hearing.

(c) The commissioner, upon such hearing, may administer oaths, examine and cross-examine witnesses, receive oral and documentary evidence; and shall have the power to subpoena witnesses, compel their attendance, and require the production of books, papers, records, correspondence or other documents deemed relevant to the inquiry. In case of a refusal of any person to comply with any subpoena issued hereunder or to testify with respect to any matter concerning which ~~he~~ *such person* may be lawfully interrogated, the district court of Shawnee county or the county where such person resides, on application of the commissioner, may issue an order requiring such person to comply with such subpoena and to testify, and any failure to obey any such order of the court may be punished by the court as a contempt thereof. The commissioner may cause to be made a stenographic record of all the evidence and all of the proceedings had at any such hearing.

(d) *A person subject to any order, as defined in K.S.A. 77-502, and amendments thereto, issued by the commissioner may request a hearing on such order. If such a request is made, the commissioner shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act.*

(e) Nothing in this act shall be construed as affecting the filing of rates required by articles 9 and 11 of chapter 40 of the Kansas Statutes Annotated, *and amendments thereto.*

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Sec. 2. K.S.A. 40-281 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the House, and passed that body

HOUSE concurred in  
SENATE amendments \_\_\_\_\_

\_\_\_\_\_  
*Speaker of the House.*

\_\_\_\_\_  
*Chief Clerk of the House.*

Passed the SENATE  
as amended \_\_\_\_\_

\_\_\_\_\_  
*President of the Senate.*

\_\_\_\_\_  
*Secretary of the Senate.*

APPROVED \_\_\_\_\_

\_\_\_\_\_  
*Governor.*