

# BRAD SMOOT

ATTORNEY AT LAW

800 SW JACKSON STREET, SUITE 808  
TOPEKA, KANSAS 66612  
[bradsmoot@smootlawoffice.com](mailto:bradsmoot@smootlawoffice.com)

(785) 233-0016 (OFFICE)  
(785) 224-1200 (CELL)  
(785) 234-3789 (FAX)

STATEMENT OF BRAD SMOOT  
LEGISLATIVE COUNSEL  
AMERICAN PROPERTY & CASUALTY INSURANCE ASSOCIATION  
HOUSE JUDICIARY COMMITTEE  
REGARDING 2019 HOUSE BILL 2072  
FEBRUARY 4, 2019

Mr. Chairman and Members:

Along with Larrie Ann Brown, I have the privilege of representing the American Property and Casualty Insurance Association (APCI). The Association is the result of the merger of the American Insurance Association (AIA) and the Property and Casualty Insurance Association (PCI). The new Association will represent hundreds of P&C companies providing commercial, workers compensation, auto, homeowners, general liability and other lines of protection for thousands of Kansas businesses and families.

On behalf of the APCIA, we must respectfully ask the Committee not to act favorably on HB 2072, as currently written. APCIA member companies support the increased use of arbitration in general, and in at least commercial lines insurance contracts in particular. Over the last 40 years, American businesses, including insurance, have experienced unprecedented growth in litigation and the attendant costs associated with it. In our view, the U.S. tort system often hurts consumers and is an incredibly inefficient method for resolving legal disputes. The Model arbitration law and its adoption around the country is a welcome change.

Hence, we were pleased to see that Kansas enacted the Model act last session and some of our member companies have already prepared filings for Kansas Insurance Department approval to update their policy forms in accordance with the new law. We welcomed the law that you passed in 2018, but oppose HB 2072 as a step backward.

Consequently, we do not view HB 2072 as a mere technical clean up as some have suggested. This is a dramatic reversal of policy after only a few months of experience, and we believe the issue requires much more thought and legislative attention than we or you have been able to give it in the week since its introduction and only two full business days since the announcement of this scheduled hearing.

Finally, we think there may be some merit to allowing time for the House Insurance Committee to review this proposal as well, since the impact of this amendment to last Session's bill is all about insurance customers and the carriers that serve them. We ask that this matter be given the time and attention it deserves. We welcome the opportunity to provide you with additional information. Thank you for your consideration of our views.

