STAND. COM. REP. NO. 160

Honolulu, Hawaii

FEB 1 2 2007

RE: S.B. No. 251 S.D.1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Transportation and International Affairs, to which was referred S.B. No. 251 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to require all authorized insurers to implement a rate reduction of not less than ten per cent for any policyholder who has satisfactorily completed an accident prevention course or a refresher course provided under the Department of Transportation's accident prevention program.

Your Committee received testimony in support of this measure from AARP Hawaii and Hawaii Transportation Association. Testimony in opposition was received from the Hawaii Insurers Council, State Farm Insurance Companies, and Property Casualty Insurers Association of America. Comments were received from the State Insurance Commissioner.

Your Committee finds that thirty-five other states and the District of Columbia currently provide premium discounts for eligible graduates of approved driver safety programs. The AARP testified that its driver safety program, in a 2005 survey, produced positive results in the behavior of drivers who took its course.

Your Committee has amended this measure by deleting its contents and inserting provisions of S.B. No. 1183, a similar measure applicable to persons at least fifty-five years of age.

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This measure, as amended, is a version of S.B. No. 1183, that, as recommended by the State Insurance Commissioner, has been revised to:

- (1) Be permissive rather than mandatory; and
- (2) Apply to all drivers, regardless of age.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 251, as amended, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 767, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

Respectfully submitted on behalf of the members of the Committee on Transportation and International Affairs,

J. KALANI ENGLISH, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Transportation and International Affairs TIA

Bill / Resolution No.:* 25/	Committee TIA,	Referral: , CPH	Da	te: Z/7/	07
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)					ļ
INOUYE, Lorraine R. (VC)					V .
ESPERO, Will					
HOOSER, Gary L.					
TANIGUCHI, Brian T.					
TSUTSUI, Shan S.		V			
GABBARD, Mike					V
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TOTAL		4			3
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					