STAND. COM. REP. NO. 1235

Honolulu, Hawaii

March 27 , 2009

RE: S.B. No. 892

S.D. 1 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred S.B. No. 892, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this measure is to update the Insurance Code by making various housekeeping or technical changes, including updating statutory cross references and continuing education requirements.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the American Council of Life Insurers, the Hawaii Captive Insurance Council, and the Hawaii Independent Insurance Agents Association. Comments on the measure were received from the Hawaii Medical Service Association and the National Association of Insurance and Financial Advisors.

Your Committees find that this measure will conform the Insurance Code with best practices standards with respect to regulating the insurance industry.

Your Committees have amended this measure by:

(1) Deleting the amendment that allowed audits to be prepared pursuant to rules adopted by the Insurance

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Commissioner, as an alternative the current requirement to follow the National Association of Insurance Commissioners' accounting practices and procedures;

- (2) Requiring the Insurance Commissioner to provide notice of new continuing education requirements to the appropriate parties;
- (3) Incorporating the contents of H.B. No. 1072, H.D. 1, into the measure which authorizes the Department of Commerce and Consumer Affairs to conduct criminal history record checks on licensees and applicants for licensure under title 24 of the Hawaii Revised Statutes; and
- (4) Requiring insurance license applicants to provide a set of fingerprints for the Insurance Commissioner to obtain and receive national and state criminal history record checks.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 892, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 892, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Consumer Protection & Commerce and Judiciary,

JC RIKI KARAMATSU, Chair

ROBERT N. HERKES, Chair

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## **Record of Votes of the Committee on Consumer Protection & Commerce**

Sill/Resolution No.:	CRC/MD, F/A	Date	3/23/0	9			
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to:  Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
CPC Members	Ayes	Ayes (WR)	Nays	Excused			
1. HERKES, Robert N. (C)							
2. WAKAI, Glenn (VC)							
3. BELATTI, Della Au							
4. CABANILLA, Rida				V			
5. CARROLL, Mele							
6. ITO, Ken 7. KARAMATSU, Jon Riki		a de la companya de l					
8. LUKE, Sylvia							
9. McKELVEY, Angus L.K.							
10. MIZUNO, John M.				A SAND			
11. MORITA, Hermina M.							
12. SOUKI, Joseph M.							
13. TSUJI, Clift	V	To a SOUTH STATE OF THE SOUTH ST	lleni ille atte san age s an	100			
14. MARUMOTO, Barbara C.							
15. THIELEN, Cynthia							
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TOTAL (15)	- 11	9	Ø	4			
The recommendation is:  Adopted If joint referral, committee acronym(s)  Adopted did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							
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## State of Hawaii House of Representatives The Twenty-fifth Legislature

## **Record of Votes of the Committee on Judiciary**

Bill/Resolution No.:  SB 892, SD 1	Committee Referral:	FIN Date	3/2-3	109		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)						
JUD Members	Ayes	Ayes (WR)	Nays	Excused		
1. KARAMATSU, Jon Riki (C)	V					
2. ITO, Ken (VC)						
3. BELATTI, Della Au						
4. CABANILLA, Rida						
5. CARROLL, Mele				V		
<ul><li>6. HERKES, Robert N.</li><li>7. LUKE, Sylvia</li></ul>						
8. McKELVEY, Angus L.K.				1./		
9. MIZUNO, John M.			Alexander and the second			
10. MORITA, Hermina M.						
11. OSHIRO, Blake K.	osak mjerana se zakole sebesa Sezimbalika se zakole		e segueronii:			
12. SOUKI, Joseph M.						
13. TSUJI, Clift						
14. WAKAI, Glenn						
15. MARUMOTO, Barbara C.						
16. THIELEN, Cynthia						
TOTAL (16)				5		
The recommendation is:    Da						
Vice Chair's or designee's signature:						
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