STAND. COM. REP. NO. 388

Honolulu, Hawaii FESIG, 2009

RE: H.B. No. 1072 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 H.B. No. 1072 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this bill is to ensure the qualifications of those in the insurance industry by requiring insurance license applicants to provide fingerprints and pay a fee in connection with the Insurance Commissioner's (Commissioner) use of national and state criminal history records checks in making a determination of license eligibility.

The Department of Commerce and Consumer Affairs testified in support of this bill. The National Association of Insurance and Financial Advisors - Hawaii supported the intent of this measure. The American Council of Life Insurers provided comments.

Section 431:2-201.3, Hawaii Revised Statutes (HRS), prohibits a person who has been convicted of a felony from engaging in the business of insurance without the Commissioner's written consent. Similar provisions in section 431:9A-112(a), HRS, enumerate the causes for which the Commissioner may deny an insurance producer's license.



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Although insurance license applicants are required to disclose their criminal history, there are times when applicants fail to make this disclosure. This bill strengthens the Commissioner's ability to identify applicants who fail to disclose their criminal history.

Your Committees have amended this measure by changing the effective date to January 1, 2020, to encourage further discussion. Technical, nonsubstantive amendments were also made for clarity and style.

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 H.B. No. 1072, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1072, 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,

JON RIKI KARAMATSU, Chair

ROBERT N. HERKES, Chair





Record of Votes of the Committee on Consumer Protection & Commerce

	, unamended (as	s is) Pas	ss, with amendmen mmit for future pu Ayes (WR)	nts (HD)	it)
The recommendation is to: Pass Pass CPC Members HERKES, Robert N. (C)	, unamended (as	s is) Pas with HD to reco	mmit for future pu	blic hearing (recomm	it)
1. HERKES, Robert N. (C)		Ayes	Ayes (WR)	Navs	
		//////		, ingo	Excused
2. WAKAI, Glenn (VC)	2525-00-554-05-00-259-000-7 <u>9</u> 4- <u>064</u>				
3. BELATTI, Della Au		1			
4. CABANILLA, Rida					
5. CARROLL, Mele					V
6. ITO, Ken		V			
7. KARAMATSU, Jon Riki		1			
8. LUKE, Sylvia		\checkmark			
9. McKELVEY, Angus L.K.					
10. MIZUNO, John M					
11. MORITA, Hermina M.					
12. SOUKI, Joseph M.					
13. TSUJI, Clift					
14. MARUMOTO, Barbara C.					
15. THIELEN, Cynthia					- 201
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TOTAL (15)		1105	$\square \varphi$	ϕ	4
The recommendation is: Ac If join	t referral,	Not Adop ommittee acronym	did not su	pport recommendatio	n.
Vice Chair's or designee's signature:	X	2 -			
Distribution: Original (White) – Comn	nithee Dur	licate (Yellow)	- Chief Clerk's Of	fice Duplicate (I	Pink) – HMSO

State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Judiciary

Bill/Resolution No.: HB 1072	Committee Referral: CPC/JUD, FIN Date: 2/9/09						
The committee is reconsidering its previous							
The recommendation is to:Pass, unamended (as is)Pass, with amendments (HD)HoldPass short form bill with HD to recommit for future public hearing (recommit)							
JUD Members	Ayes	Ayes (WR)	Nays	Excused			
1. KARAMATSU, Jon Riki (C)							
2. ITO, Ken (VC)							
3. BELATTI, Della Au							
4. CABANILLA, Rida							
5. CARROLL, Mele							
6. HERKES, Robert N.							
7. LUKE, Sylvia							
8. McKELVEY, Angus L.K.				V			
9. MIZUNO, John M.							
10. MORITA, Hermina M.							
11. OSHIRO, Blake K.							
12. SOUKI, Joseph M.							
13. TSUJI, Clift							
14. WAKAI, Glenn							
15. MARUMOTO, Barbara C.	V .						
16. THIELEN, Cynthia							
TOTAL (16)		10	<i>r</i>]	L4			
TOTAL (16)	12	- U					
The recommendation is: Ado If joint r		did not supp	ort recommendation	1.			
Vice Chair's or designee's signature:	f.kt						
Distribution: Original (White) – Commit	ttee Duplicate (Yellow)	- Chief Clerk's Offic	e Duplicate (F	Pink) – HMSO			