STAND. COM. REP. NO. 465 -10

Honolulu, Hawaii Fe 726, 2010 RE: H.B. No. 2548 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2548 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose of this bill is to update the prepaid legal service plan law, which regulates group legal service plans in which the cost of the services are prepaid by the group member or by some other person or organization on the member's behalf. Specifically, this bill, among other things:

- Clarifies that the authority responsible for regulating Prepaid Legal Service Plans is the Insurance Commissioner;
- (2) Deletes the exemption for insurers regulated under chapters 431 and 432, Hawaii Revised Statutes;
- (3) Clarifies filing requirements;
- (4) Requires the plan administrator to act as a trustee for funds collected by the plan and to maintain a trust account; and
- (5) Allows the Commissioner to suspend, revoke, or fine any plan that fails to comply with law.



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The Department of Commerce and Consumer Affairs testified in support of this bill.

Your Committee has amended this bill by:

- (1) Changing its effective date to December 21, 2058, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2548, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2548, H.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Judiciary,

I KARAMATSU, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature

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Record of Votes of the Committee on Judiciary

	e Referral: , JUD	Date	2/2-3	110
 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) 				
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2. ITO, Ken (VC)				
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7. LUKE, Sylvia				
8. McKELVEY, Angus L.K.				
9. MIZUNO, John M.				
10. MORITA, Hermina M.				
11. OSHIRO, Blake K.				
12. SOUKI, Joseph M. 13. TSUJI, Clift				
13. WAKAI, Glenn				
15. MARUMOTO, Barbara C.				A construction of the second s
16. THIELEN, Cynthia				
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TOTAL (16)	14	0	0	2
The recommendation is: De Adopted Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
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