STAND. COM. REP. NO. 163 -10

Honolulu, Hawaii Fe 6 8 , 2010 RE: H.B. No. 2548

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

Sir:

Your Committee on Consumer Protection & Commerce, 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 laws related to Prepaid Legal Service Plans (PLSPs) to allow the Department of Commerce and Consumer Affairs (DCCA) to adequately regulate these plans and enforce these laws. Specifically, this bill:

- (1) Adds definitions for "accumulation or payment of money";
- (2) Clarifies that PLSPs are under the jurisdiction of the Insurance Commissioner;
- (3) Clarifies provisions relating to funds collected for PLSPs;
- (4) Updates requirements for annual statements to be submitted to the Insurance Commissioner, including a requirement that the statement be compiled, reviewed, or audited by a certified public accountant;
- (5) Specifies that corrective action needs to be taken within seven days of receiving notice from the Insurance Commissioner of noncompliance with the law; and



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(6) Authorizes the Insurance Commissioner to deny, suspend, revoke, or refuse to approve any PLSPs, as well as levy penalties for violation of PLSP laws.

DCCA testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2548 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROBERT N. HERKES, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:		Date:		
HB 2548	CPC,JUD	F	Februa 15 3, 2010		
The committee is reconsidering its pro	evious decision on the measure.				
	s, unamended (as is)	uss, with amendments (commit for future public			
CPC Members	Ayes	Ayes (WR)	Nays	Excused	
1. HERKES, Robert N. (C)					
2. WAKAI, Glenn (VC)					
3. BELATTI, Della Au	V			包括生活的品牌	
4. CABANILLA, Rida					
5. CARROLL, Mele					
6. ITO, Ken					
7. KARAMATSU, Jon Riki		•			
8. LUKE, Sylvia		-			
9. McKELVEY, Angus L.K.			e di sin quita		
10. MIZUNO, John M.	/				
11. MORITA, Hermina M.					
12. SOUKI, Joseph M.					
13. TSUJI, Clift	V,				
14. MARUMOTO, Barbara C.					
15. THIELEN, Cynthia	V				
		P			
			/		
TOTAL (15)	23		Ø	2	
The recommendation is: Ad If join	lopted 🛛 Not Adop t referral, committee acronym	did not suppor	rt recommendatio	n.	
Vice Chair's or designee's signature:	An)		-	
Distribution: Original (White) – Comm	nittee Duplicate (Yellow)	- Chief Clerk's Office	Duplicate (Pink) – HMSO	