STAND. COM. REP. NO. 757 -10

Honolulu, Hawaii

Morch 16, 2010

RE: S.B. No. 2701 S.D. 1

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

Sir:

State of Hawaii

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2701, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to protect consumers by updating the laws regulating prepaid legal service plans by, among other things:

- (1) Adding definitions of "accumulation or payment of money", "accumulation funds", and "commissioner";
- (2) Deleting the exemption for insurers regulated under Chapters 431 and 432, Hawaii Revised Statutes;
- (3) Clarifying filing requirements;
- (4) Requiring the plan administrator to act as a trustee for funds collected by the plan and to maintain a trust account; and
- (5) Allowing the commissioner to suspend, revoke, or fine any plan that fails to comply with the law.

The Department of Commerce and Consumer Affairs 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 S.B. No. 2701, S.D. 1, 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

HGCR 757-10

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:		Date: 3/10/10	
SB 2701, SD1	CPC,JUD		3110110	
☐ 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)	/			机新加州 制产。
2. WAKAI, Glenn (VC)				~
3. BELATTI, Della Au	V			
4. CABANILLA, Rida				~
5. CARROLL, Mele				
6. ITO, Ken				j.
7. KARAMATSU, Jon Riki				
8. LUKE, Sylvia	/			
9. McKELVEY, Angus L.K.	/			
10. MIZUNO, John M.				
11. MORITA, Hermina M.	V			
12. SOUKI, Joseph M.	/			
13. TSUJI, Clift				
14. MARUMOTO, Barbara C.		SI = SHERBIN		
15. THIELEN, Cynthia				
TOTAL (15)	11	0	0	4
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				