## STAND. COM. REP. NO. 1491

Honolulu, Hawaii Apr: 16, 2009 RE: S.B. No. 58 S.D. 2 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. 58, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

beg leave to report as follows:

The purpose of this bill is to promote affordable motor vehicle insurance by allowing a named insured on a motor vehicle insurance policy to exclude persons from being covered under the policy, through a written endorsement signed by the named insured and excluded person.

The American Insurance Association testified in support of this bill. The Office of the Public Defender and Hawaii Independent Insurance Agents Association opposed this measure. The Department of Commerce and Consumer Affairs, Hawaii Insurers Council, State Farm Insurance Companies, Property Casualty Insurers Association of America, and Hawaii Association for Justice provided comments.

Under current law, the acts of one driver can affect the motor vehicle insurance premiums for that driver's entire household. This bill seeks to minimize the impact on the remaining household drivers by allowing certain drivers to be specifically excluded from an insurance policy covering a shared motor vehicle.

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However, there are numerous concerns with this bill, including its potential to increase the number of uninsured drivers and its corresponding effect on the assigned claims program, which provides motor vehicle insurance benefits to accident victims in cases where no benefits are available. Your Committees note the effective date of this bill is July 1, 2050, and are therefore moving it along for further consideration.

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. 58, S.D. 2, H.D. 1, and recommend that it pass Third Reading.

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

## JON RIKI KARAMATSU, Chair

ROBERT N. HERKES, Chair

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

Il/Resolution No.:     Committee Referral:       SB 5B SD HDI     TRN, CPC/JUD			Date: 3/200 09		
The committee is reconsidering its prev	ious decision on the measure.				
	unamended (as is)	ss, with amendments mmit for future publi			
<b>CPC</b> Members	Ayes	Ayes (WR)	Nays	Excused	
1. HERKES, Robert N. (C)					
2. WAKAI, Glenn (VC)					
3. BELATTI, Della Au	1				
4. CABANILLA, Rida					
5. CARROLL, Mele				$\checkmark$	
6. ITO, Ken		-			
7. KARAMATSU, Jon Riki					
8. LUKE, Sylvia				V.	
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					
TOTAL (15)				4	
The recommendation is: Add	ppted INot Adop referral,	/did not supp	ort recommendation	l/ 1.	
Vice Chair's or designee's signature:	- Star	\			
Distribution: Original (White) – Commi	ttee (Duplicate (Yellow)	Chief Clerk's Office	e Duplicate (P	ink) – HMSO	

State of Hawaii House of Representatives The Twenty-fifth Legislature



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

Bill/Resolution No.: SB 58, SD $Z$ , HD $I$	Committee Referral: TRN, CPC/JU	Date	" 3/30/0	9			
<ul> <li>The committee is reconsidering its previous decision on the measure.</li> </ul>							
The recommendation is to: Pass, $U$ $\zeta T = Pass st$	namended (as is)	ss, with amendments mmit for future publ	(HD)				
JUD Members	Ayes	Ayes (WR)	Nays	Excused			
1. KARAMATSU, Jon Riki (C)							
2. ITO, Ken (VC)							
3. BELATTI, Della Au				V			
4. CABANILLA, Rida							
5. CARROLL, Mele				V			
6. HERKES, Robert N.							
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							
14. WAKAI, Glenn							
15. MARUMOTO, Barbara C.							
16. THIELEN, Cynthia							
				-			
 TOTAL (16)	11			5			
The recommendation is: Adop If joint re Vice Chair's or designee's signature:		did not supp	ort recommendation				
<b>Distribution:</b> Original (White) – Commit	tee Duplicate (Yellow)	– Chief Clerk's Offic	e Duplicate (I	Pink) – HMSO			