STAND. COM. REP. NO. 1130

Honolulu, Hawaii March 24, 2011

RE: S.B. No. 1278 S.D. 1 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

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Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred S.B. No. 1278, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this bill is to protect consumers, particularly seniors, from abusive financial service practices by adopting model regulations of the National Association of Insurance Commissioners in conformity with senior investor protection in the federal Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

The Department of Commerce and Consumer Affairs and NAIFA Hawaii testified in support of this bill. The American Council of Life Insurers provided comments.

Your Committees have amended this bill by:

- Limiting provisions allowing an insurer to contract for performance of functions by excluding functions that are non-delegable;
- (2) Making provisions related to the prohibition of misleading senior-specific certifications and professional delegations effective upon approval; and

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(3) Making technical, nonsubstantive amendments for clarity, consistency, 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 S.B. No. 1278, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1278, S.D. 1, 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,

Chair GILBERT KEITH-AG

ROBERT N. HERKES, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature

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

Bill/Resolution No.: 581278 501	Committee Referral: CPC /JUD	, FIN Date:	3/16/	2011		
□ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>						
CPC Members	Ayes	Ayes (WR)	Nays	Excused		
1. HERKES, Robert N. (C)						
2. YAMANE, Ryan I. (VC)						
3. BROWER, Tom				· · · · · · · · · · · · · · · · · · ·		
4. CABANILLA, Rida T.R.						
5. CARROLL, Mele						
6. ITO, Ken						
7. KEITH-AGARAN, Gilbert S.C.	~					
8. LUKE, Sylvia						
9. McKELVEY, Angus L.K.			· · ·	·····		
-10. MORITA, Hermina M.						
11. OSHIRO, Blake K.				<hr/>		
12. SOUKI, Joseph M.						
13. TSUJI, Clift			-			
14. CHING, Corinne W.L.						
15. MARUMOTO, Barbara C.						
16. THIELEN, Cynthia			-			
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TOTAL (167 (15)	12		, <u></u> _	3		
The recommendation is: Adopted If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
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## Record of Votes of the Committee on Judiciary

Bill/Resolution No.: SB178, SD1	Committee Referral: しん	IJUD, FIN Date:	3116/11	
The committee is reconsidering its previous		I		<u> </u>
	umended (as is) X Pa t form bill with HD to reco	ss, with amendments ( mmit for future public		
JUD Members	Ayes	Ayes (WR)	Nays	Excused
1. KEITH-AGARAN, Gilbert S.C. (C)	) /			
2. RHOADS, Karl (VC)			, <u>—</u> 100	
3. BROWER, Tom				
4. CABANILLA, Rida T.R.		_		
5. CARROLL, Mele				
6. HERKES, Robert N.	~			
7. ITO, Ken				
8. LUKE, Sylvia		· · · · · · · · · · · · · · · · · · ·		
9. McKELVEY, Angus L.K.			. <u> </u>	
10. MORITA, Hermina M.			<u> </u>	
11. OSHIRO, Blake K.			, <u>.</u>	
12. SOUKI, Joseph M.				
13. TSUJI, Clift	~		······································	· · · · · · · · · · · · · · · · · · ·
14. FONTAINE, George R.				- <u>-</u> .
15. MARUMOTO, Barbara C.				
16. THIELEN, Cynthia				
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TOTAL (16) (5	12	0	0	3
The recommendation is: X Adopted If joint refer		did not suppor	t recommendation	l
Vice Chair's or designee's signature:	Kal N	mh		
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