STAND. COM. REP. NO. 624 -12

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 2359

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2359 entitled:

"A BILL FOR AN ACT RELATING TO PORTABLE ELECTRONICS INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to protect consumers of portable electronics in Hawaii by making portable-electronics insurance available for purchase.

Asurion supported this bill. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee has amended this bill by, among other things:

- (1) Removing specific sanctions for vendors who violate the portable-electronics-insurance law;
- (2) Specifying that for an insurer to terminate or otherwise change the terms and conditions of a portableelectronics insurance policy under certain circumstances, it must obtain the consent of both the vendor who sold the policy and the customer who purchased the policy;

- (3) Specifying that initial licenses issued to portableelectronics vendors to sell portable-electronics insurance are valid for at least 24 months and that renewed licenses are valid for 24 months;
- (4) Requiring each portable-electronics vendor who sells portable-electronics insurance to pay to the Insurance Commissioner a fee of \$2,000 for the issuance of the initial portable-electronics limited-lines license, plus a yearly fee of \$1,200 for the initial or a renewed license;
- (5) Changing the effective date to January 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for purposes of consistency, clarity, and style.

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. 2359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2359, H.D. 1, and be referred to the Committee on Finance.

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

MERKES, Chair

## State of Hawaii House of Representatives The Twenty-sixth Legislature

## HSUR 624-12

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

BILI/Resolution No.: HB 2359	Committee Referral:	FIN Date:	2/13	/2012
☐ 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)				
<b>CPC Members</b>	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. COFFMAN, Denny				
7. ITO, Ken				
8. KEITH-AGARAN, Gilbert S.C.				
9. LUKE, Sylvia				
10. McKELVEY, Angus L.K.				
11. SOUKI, Joseph M.				
12. TSUJI, Clift				
13. CHING, Corinne W.L.				
14. MARUMOTO, Barbara C.				
15. THIELEN, Cynthia				
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TOTAL (15)	10			5
The recommendation is:  Adopted  If joint referral,  Committee acronym(s)  Not Adopted  did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				