STAND. COM. REP. NO. 456 -12

Honolulu, Hawaii

Feb 16, 2012

RE: H.B. No. 2506

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. 2506 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to improve insurance laws in Hawaii by:

- (1) Establishing a standalone surplus lines broker license;
- (2) Clarifying and streamlining the licensing requirements for reinsurance intermediaries under Article 9B of the Insurance Code;
- (3) Strengthening the training requirements for insurance producers who sell annuity products in Hawaii; and
- (4) Enhancing the Insurance Commissioner's statutory enforcement authority by allowing the Commissioner to require violators of the insurance laws to pay restitution.

The Department of Commerce and Consumer Affairs and National Association of Insurance and Financial Advisors supported this bill. The American Council of Life Insurers submitted comments.

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. 2506 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

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ROBERT N. HERKES, Chair

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 2506 Committee	Referral: OPC	FIN Date:	2/6/12	-
☐ 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)				
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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747-2-111				
TOTAL (15)	12			3
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				