

STAND. COM. REP. NO.

755

Honolulu, Hawaii

**MAR 03 2017**

RE: S.B. No. 953  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 953, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to make various amendments to the State's insurance code.

More specifically, these amendment relate to third-party claimants, insurance fraud penalties, certificates of authority, motor vehicle insurance self-insurers, nonresident adjusters, insurance producer licensing, and supervisory proceedings undertaken by the Insurance Commissioner.

The Department of Commerce and Consumer Affairs, and the Hawaii Insurers Council submitted written comments in support of this measure.

Hawaii Medical Service Association submitted written comments on this measure.

Your Committee finds that under current law, the Insurance Commissioner is required to wait until a catastrophe has occurred before the Commissioner may issue a declaration that permits the use of nonresident adjusters in the State. Among other reforms,



this measure authorizes the Insurance Commissioner to use those adjusters in advance of the Governor's proclamation of emergency.

Your Committee further finds that this measure also conforms the State's producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act, which will make the State's requirements conform with requirements of other states.

Your Committee has amended this measure by:

- (1) Amending certain uses of the term "insurer" to ensure that the applicable provisions refer to an insurer who terminates a producer;
- (2) Amending one use of the term "producer" to ensure that the applicable provision refers to a producer that terminates an insurer; and
- (3) Deleting unnecessary statutory amendments regarding third-party claimants.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 953, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 953, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
JILL N. TOKUDA, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 953, SDI	CPH/SDL, WAM	23 Feb 2017		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)				/
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUE, Lorraine R.				/
KAHELE, Kaiali'i				/
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.				/
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
<b>TOTAL</b>	7			4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes