

Honolulu, Hawaii

FEB 27 2025

RE: S.B. No. 752
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 752 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the notice period for an insurer to notify a policyholder of a cancelation or nonrenewal of a property and casualty insurance policy.

Your Committee received testimony in support of this measure from three individuals.

Your Committee received testimony in opposition to this measure from the National Association of Mutual Insurance Companies.

Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that insurers doing business in the State are currently required to provide written notice to their customers within ten days prior to the effective date of a cancellation, and are required to provide written notice to their customers within thirty days prior to the effective date of a nonrenewal. Your Committee further finds that this timeline is



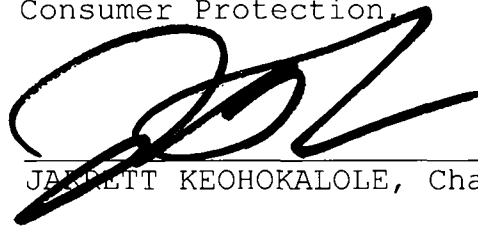
unrealistic given the status of the property casualty insurance market in the State, necessitating modernization and streamlining of the notice process. This measure will address this issue by extending the notice period for cancellations from ten days to thirty days and by extending the notice period for nonrenewal from thirty days to sixty days. These extensions will promote greater clarity and fairness in insurer-policyholder relationships within the State by establishing clear expectations and increasing transparency.

Your Committee has amended this measure by:

- (1) Inserting a savings clause;
- (2) Inserting a non-impairment clause to clarify that this measure shall not be applied in a manner that impairs any existing contracts in violation of either the United States Constitution or Hawaii State Constitution;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 752, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 752, S.D. 1, and be placed on the calendar for Third Reading.

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



JANETT KEOHOKALO, Chair



Record of Votes
Committee on Commerce and Consumer Protection
CPN

*Only one measure per Record of Votes