



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Judiciary
Tuesday, March 25, 2025
10:01 a.m.

State Capitol, Conference Room 016 and via Video Conferencing

On the following measure:
H.B. 544, H.D. 1, S.D. 1, RELATING TO PET INSURANCE

Chair Rhoads and Members of the Committee:

My name is Jerry Bump, and I am the Acting Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department supports this bill.

The purpose of this bill is to establish a regulatory framework specifically for pet insurance based on the National Association of Insurance Commissioners' Pet Insurance Model Act.

The Department supports the initiative to incorporate consistent practices, benchmark standards, and accountability into Chapter 431, Hawaii Revised Statutes, to ensure that pets, as beloved members of many of Hawaii's families, have appropriate protection and recourse throughout their lives.

Thank you for the opportunity to testify.



Hawaiian Humane Society

People for animals. Animals for people.

Date: March 24, 2025

To: Chair Sen. Karl Rhoads
Vice Chair Sen. Mike Gabbard
and Members of the Committee on Judiciary

Submitted By: Stephanie Kendrick, Director of Community Engagement
Hawaiian Humane Society, 808-356-2217

RE: Testimony in support of HB 544, HD1, SD1: Relating to Pet Insurance
Tuesday, March 25, 2025, 10:01 a.m., Room 016 & Videoconference

On behalf of the Hawaiian Humane Society, thank you for considering our support for House Bill 544, HD1, SD1, which establishes a regulatory framework specifically for pet insurance based on the National Association of Insurance Commissioners' Pet Insurance Model Act.

This measure protects consumers by holding pet insurance providers accountable to transparency and uniform use of defined terms. It is sound public policy.

Pet insurance is increasingly important to pet owners as the costs associated with veterinary care continue to rise. Pet owners have an obligation under our animal cruelty statute to provide necessary emergent medical care for their animals. Part of responsible pet ownership is also to provide regular wellness and preventative care. These regular veterinary visits are essential to maximizing an animal's health, longevity and quality of life. They are also expensive, and these recurring expenses can leave little financial wiggle room should disease or injury occur.

The cost of pet ownership was the number one challenge cited by O'ahu pet owners in a 2024 survey by Ward Research. A third of pet owners surveyed said they struggled to afford veterinary care. Insurance can be a comfort to pet owners facing veterinary bills and helps to ensure pets get the care they need.

We urge you to pass this measure with a good effective date to protect consumers and animals. Mahalo for your consideration.



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March 21, 2025

Hawaii Legislature
Members of the Committee on Judiciary

Re: Testimony in Support HB544 Relating to Pet Insurance

Dear Committee Members:

Good afternoon. My name is Caren Alvarado, and I am VP of Regulatory Affairs for Crum & Forster, a subsidiary of Fairfax Holdings. My organization has been writing pet insurance for many years, is fully licensed in all 50 states, including Hawaii, and we are therefore very familiar with the unique intricacies of these products and the marketplace. I am also Co-Chair of the Regulatory Committee for the North American Pet Health Insurance Association (NAPHIA) that is comprised of a variety of organizations involved in the pet insurance industry.

I would like to thank the members for bringing HB 544 before the Committee today and for allowing interested parties the opportunity to provide testimony in support of the pet insurance legislation. We are writing in support of the bill.

This crucial legislation builds upon existing regulatory frameworks and further promotes a framework that works for everyone – regulators, consumers, and industry players alike – promoting a clear and level playing field while promoting uniformity throughout the states. Both the industry and consumers will benefit from a consistent nationwide approach for pet insurance. By incorporating this regulatory framework into your statute, you will ensure clear and consistent regulation of pet insurance products.

This legislation is good for all industry participants because going forward, we will have specific requirements applicable to pet insurance with which all players will have to comply, including new entrants to this growing market. The language before you today has been thoroughly vetted at the national level to ensure the legislation creates an efficient, effective regulatory framework for pet insurance that benefits consumers, empowers regulators, and ensures the marketplace operates fairly.

Specifically, the proposed legislation:

- Allows pet products to continue to be offered in a manner that provides a seamless consumer experience and cost-saving efficiencies.
- Clarifies permissible and prohibited sales practices, and the applicability of the state's unfair trade practices law.
- Requires important consumer disclosures.
- Establishes uniform meanings of key terms for better understandability.



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Consumers deserve pet insurance plans that work for them. In enacting the legislation with the revisions as proposed, the legislature will benefit consumers and empower regulators by codifying an efficient, fair, uniform, and effective regulatory framework for pet insurance.

The legislation is aligned with the Pet Insurance Model Act adopted by adopted by the National Association of Insurance Commissioners (NAIC). The NAIC and Insurance Divisions of the various states worked collaboratively with the overall pet community, leading to the NAIC's adoption of the model. We support the bill with the proposed amendments because it is good for consumers and industry participants alike. Twelve (12) states have already enacted legislation based upon this Model Act and several other states are contemplating enacting similar legislation in the coming months.

We respectfully request that you approve this important legislation. On behalf of Crum & Forster, thank you for your consideration of HB 544, which will ensure the industry and consumers will benefit from a transparent framework for pet insurance.

Please let us know if you have any questions or we can provide any additional information.

Very truly yours,

Caren Alvarado, VP Regulatory Affairs & Compliance
Crum & Forster A&H Division
732.676.9819
caren.alvarado@cfins.com



LATE

March 25, 2025

Hawaii State Senate
Committee on the Judiciary
Honorable Karl Rhoads, Chair
Honorable Mike Gabbard, Vice Chair

Re: Testimony in Support HB 544 Relating to Pet Insurance – SUPPORT

Dear Senators Rhoads and Gabbard and Committee Members:

Thank you for the opportunity to provide testimony today on behalf of the North American Pet Health Insurance Association (NAPHIA) in support of HB 544. The legislation provides important protections and establishes regulatory standards that benefit consumers and provide a strong, uniform regulatory framework for insurers.

NAPHIA is the voice and vibrant forum for a trusted and growing pet insurance industry in the U.S. and Canada. NAPHIA members comprise the overwhelming majority of pet health insurance providers in North America. As the trade association for providers of highly valued pet health insurance related products and services, we are relied upon by pet families and veterinary teams to facilitate optimal pet healthcare and significantly improve pet health outcomes.

This crucial legislation builds upon existing regulatory frameworks and establishes specific rules for pet insurance that works for everyone – regulators, consumers, and industry players alike – promoting a clear and level playing field while promoting uniformity throughout the states. Both consumers and the industry will benefit from a consistent nationwide approach for pet insurance that ensures clear and consistent regulation of pet insurance products.

Specifically, the proposed legislation:

- allows pet products to continue to be offered in a manner that provides a seamless consumer experience and cost-saving efficiencies;
- clarifies permissible and prohibited sales practices, and the applicability of the state’s unfair trade practices law;
- requires important consumer disclosures; and
- establishes uniform meanings of key terms for better understandability.

The language before you today has been thoroughly vetted at the national level to ensure the legislation creates an efficient, effective regulatory framework for pet insurance that benefits consumers, empowers regulators, and ensures the marketplace operates fairly. The legislation is based on the Pet Insurance Model Act adopted by the National Association of Insurance Commissioners (NAIC). Twelve (12) states have already enacted legislation based upon this Model Act and several other states are contemplating enacting similar legislation in the coming months.

NAPHIA respectfully requests that you approve this important legislation. Thank you for your consideration of NAPHIA's views.

Very truly yours,

A handwritten signature in blue ink, appearing to read "John P. Fielding". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping tail.

John P. Fielding
Fielding Strategies, LLC

HB-544-SD-1

Submitted on: 3/21/2025 2:17:29 PM

Testimony for JDC on 3/25/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Frank Schultz	Individual	Support	Written Testimony Only

Comments:

I support this initiative.

HB-544-SD-1

Submitted on: 3/21/2025 4:34:46 PM

Testimony for JDC on 3/25/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Victor Brock	Individual	Support	Written Testimony Only

Comments:

I support this bill