

Honolulu, Hawaii

APR 29 2026

RE: S.B. No. 2043
S.D. 1
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2043, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Specify that, until December 31, 2031, captive insurance companies that are not risk retention captive insurance companies are subject to examination no later than five years after licensure and any additional examination at the discretion of the Insurance Commissioner;
- (2) Subject captive insurance companies that are not risk retention captive insurance companies to examination at least once every five years, beginning January 1, 2032; and



- (3) Require the Insurance Commissioner to submit a report to the Legislature before the Regular Session of 2031.


Your Committee on Conference finds that captive insurance companies with a demonstrated record of financial stability, compliance, and sound governance may not require the same examination frequency as higher-risk entities. Your Committee on Conference further finds that a risk-based approach to examinations can enable regulatory resources to be deployed more efficiently. This measure streamlines captive insurance company regulation and reporting requirements to improve the State's competitiveness in the industry.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2026.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2043, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2043, S.D. 1, H.D. 1, C.D. 1.


Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE


SCOT Z. MATUYOSHI
Chair

ON THE PART OF THE SENATE


JARRETT KEOHOKALOLE
Chair


KACHELE LAMOFOA
Co-Chair



Hawai'i State Legislature

Record of Votes of a
Conference Committee

CCR 46-26

Bill / Concurrent Resolution No.: SB 2043, SD 1, HD 1	Date/Time: 4/28/26 2:34pm
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KEOHOKALOLE, Jarrett, Chr.	✓				MATAYOSHI, Scot Z., Chr.	✓			
LAMOSAO, Rachele, Co-Chr.	✓				GRANDINETTI, Tina Nakada	✓			
AWA, Brenton				✓	PIERICK, Elijah	✓			
TOTAL	2	-	-	1	TOTAL	3	-	-	-

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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Distribution:

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