

STAND. COM. REP. NO. 2796

Honolulu, Hawaii

MAR 05 2026

RE: S.B. No. 2950
S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2950 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize captive insurance companies to underwrite, reinsure, or otherwise assume catastrophic property and casualty risks, subject to the approval and continuing supervision of the Insurance Commissioner;
- (2) Allow the Insurance Commissioner to set certain minimum standards for captive insurance companies underwriting catastrophic property and casualty risk; and
- (3) Require captive insurance companies underwriting catastrophic property and casualty risk to provide certain information in reports to the Insurance Commissioner.

Your Committee received testimony in support of this measure from one individual.



Your Committee received testimony in opposition to this measure from the Insurance Division of the Department of Commerce and Consumer Affairs.

Your Committee received comments on this measure from the Hawaii Captive Insurance Council.

Your Committee finds that the State faces unique challenges maintaining a stable and competitive insurance market due to the risks and costs of natural disasters. This measure would expand coverage options, encourage insurer retention, and stabilize the property and casualty insurance market by enabling captive insurance companies to underwrite, reinsure, or otherwise assume catastrophic property and casualty risks that would ordinarily be provided by traditional admitted insurers.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment 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. 2950, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2950, 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,



JARRETT KEOHOKALOLE, Chair



