

STAND. COM. REP. NO. 189

Honolulu, Hawaii
Feb 28, 2007

RE: H.B. No. 1323

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1323 entitled:

"A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to encourage growth in the captive insurance industry by establishing an annual maximum aggregate tax on gross premiums for captive insurance companies.

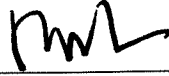
The Department of Commerce and Consumer Affairs; Bank of Hawaii; Arthur J. Gallagher Captive Services (Hawaii); Alliance Captive Insurance Services, LLC; and several concerned individuals testified in support of this bill. The Tax Foundation of Hawaii submitted comments.

Your Committee finds that establishing a maximum annual premium tax for captive insurers will encourage more business to be conducted through these companies and make Hawaii's captive insurance premium tax structure comparable with those of other U.S. jurisdictions that have imposed similar limits.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1323 and recommends that it pass Second Reading and be referred to the Committee on Finance.



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



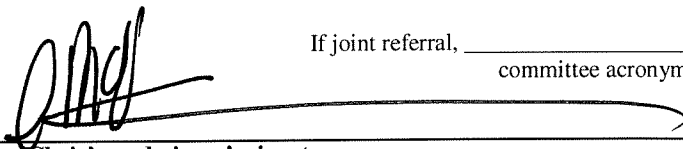
ROBERT N. HERKES, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 189

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 1323		Date: February 5, 2007		
Committee Referral: CPC, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to:				
<input checked="" type="checkbox"/> Pass, unamended		<input type="checkbox"/> Pass, with amendments		
<input type="checkbox"/> Hold		<input type="checkbox"/> Pass, with amendments, for recommitment for further consideration		
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	X			
2. McKELVEY, Angus L.K. (VC)	X			
3. CALDWELL, Kirk	X			
4. EVANS, Cindy	X			
5. GREEN, Josh, M.D.	X			
6. ITO, Ken	X			
7. LUKE, Sylvia	X			
8. MORITA, Hermina M.	X			
9. SONSON, Alex M.				X
10. SOUKI, Joseph M.				X
11. TSUJI, Clift	X			
12. YAMANE, Ryan I.	X			
13. YAMASHITA, Kyle T.	X			
14. MARUMOTO, Barbara C.	X			
15. THIELEN, Cynthia	X			
TOTAL	13			2
The recommendation is:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
If joint referral, _____ did not support recommendation.				
committee acronym(s)				
 Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				