

STAND. COM. REP. NO. 1802

Honolulu, Hawaii

Ajil 5, 2007

RE: S.B. No. 1410
S.D. 1
H.D. 1

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 S.B. No. 1410, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to incorporate the recommendations of the National Association of Insurance Commissioners to conform Hawaii's insurance laws with national standards regarding:

- (1) Long-term care insurance; and
- (2) The sharing of information with foreign insurance regulatory agencies by the Insurance Commissioner to facilitate the regulation of the insurance industry.

The Department of Commerce and Consumer Affairs testified in support of this bill. The National Association of Insurance and Financial Advisors supported the intent of this measure. The American Council of Life Insurers supported this bill with amendments. The Hawaii Medical Service Association submitted comments.

Your Committee has amended this measure by, among other things:

SB1410 HD1 HSCR CPC HMS 2007-3621



- (1) Authorizing the Insurance Commissioner, pursuant to the federal Military Personnel Financial Services Protection Act, to protect service members of the U.S. Armed Forces by adopting rules declaring certain life insurance practices to be false, misleading, deceptive, or unfair;
- (2) Providing that effective one year after the enactment of state legislation establishing a Long-term Care Partnership Program pursuant to the federal Deficit Reduction Act of 2005, insurance producers selling, soliciting, or negotiating long-term care insurance must complete mandatory training;
- (3) Allowing telephonic enrollment for group long-term care policies;
- (4) Clarifying the provisions regarding long-term care insurance nonforfeiture benefits and triggers for contingent benefits;
- (5) Changing the effective date to July 1, 2007; and
- (6) Making technical, nonsubstantive amendments for clarity and style.

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 S.B. No. 1410, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1410, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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 1802

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 1410 SD 1		Date: April 2, 2007		
Committee Referral: CPC		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal 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	14			1
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				