

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1322  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and  
Affordable Housing, to which was referred H.B. No. 1322 entitled:

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

begs leave to report as follows:

The purpose of this measure is to make various amendments to  
the existing law governing insurance licensing.

Specifically, this measure:

- (1) Re-establishes the limited line motor vehicle rental  
company producer's license fee at \$1,000, and the "all  
services" fee at \$600 per year;
- (2) Mandates that adjusters and independent bill reviewers'  
place of business be where the licensee principally  
conducts transactions under the license; and
- (3) Changes the exemption from the education and examination  
requirements for producers previously licensed for same  
lines of authority in another state by allowing receipt  
of resident producer license applications for the State  
within ninety days of cancellation of the applicant's  
out-of-state resident license.

Your Committee received testimony in support of this measure  
from the Department of Commerce and Consumer Affairs. Testimony



in opposition to this measure was received from the American Council of Life Insurers.

Your Committee finds that re-establishing the issuance and all services fees applicable to limited line motor vehicle rental company producer's licensee and requiring adjusters and independent bill reviewers' place of business be located where the licensee principally conducts transactions under the license will improve the Department of Commerce and Consumer Affairs' operations.

Your Committee has amended this measure to remove the changes made to the exemption from the education and examination requirements for producers previously licensed for same lines of authority in another state. Your Committee has also amended the effective date to promote further discussion. Your Committee also made technical, nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1322, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1322, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Affordable  
Housing,

  
BRIAN T. TANIGUCHI, Chair



