

STAND. COM. REP. NO.

160

Honolulu, Hawaii

FEB 12 2007

RE: S.B. No. 251
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 Transportation and International Affairs,
to which was referred S.B. No. 251 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to require all authorized insurers to implement a rate reduction of not less than ten per cent for any policyholder who has satisfactorily completed an accident prevention course or a refresher course provided under the Department of Transportation's accident prevention program.

Your Committee received testimony in support of this measure from AARP Hawaii and Hawaii Transportation Association. Testimony in opposition was received from the Hawaii Insurers Council, State Farm Insurance Companies, and Property Casualty Insurers Association of America. Comments were received from the State Insurance Commissioner.

Your Committee finds that thirty-five other states and the District of Columbia currently provide premium discounts for eligible graduates of approved driver safety programs. The AARP testified that its driver safety program, in a 2005 survey, produced positive results in the behavior of drivers who took its course.

Your Committee has amended this measure by deleting its contents and inserting provisions of S.B. No. 1183, a similar measure applicable to persons at least fifty-five years of age.

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This measure, as amended, is a version of S.B. No. 1183, that, as recommended by the State Insurance Commissioner, has been revised to:

- (1) Be permissive rather than mandatory; and
- (2) Apply to all drivers, regardless of age.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 251, as amended, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 767, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
International Affairs, .



J. KALANI ENGLISH, Chair



