

STAND. COM. REP. NO.

2110

Honolulu, Hawaii

FEB - 9 2010

RE: S.B. No. 2596
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2596 entitled:

"A BILL FOR AN ACT RELATING TO GROUP LIFE INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to expand the scope of group life insurance and group disability insurance that may be offered in the State.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and the American Council of Life Insurers. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure is based on a model act developed by the National Association of Insurance Commissioners. Your Committee further finds that the adoption of model legislation in the present case is desirable because it creates uniformity in regulating a single product across multiple jurisdictions. Your Committee finds that this measure will allow the Insurance Commissioner to exercise discretion to approve the issuance of group life and disability insurance policies for non-traditional groups. Your Committee notes that the Insurance Commissioner retains the authority to disapprove the issuance of any group policy that is contrary to the public interest, that would not result in economies of acquisition or administration for the insured individuals, and that does not offer a reasonable benefit for the premium charged.

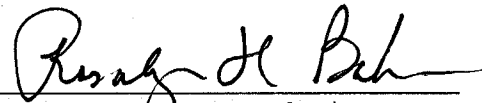
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Your Committee has amended this measure by making a minor technical change for the purpose of grammatical accuracy.

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. 2596, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2596, 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,



ROSALYN H. BAKER, Chair



