

STAND. COM. REP. NO.

1142

Honolulu, Hawaii

March 24, 2009

RE: S.B. No. 53

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 53
entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to make permanent the protections in Act 177, Session Laws of Hawaii 2008 (Act 177), codified as Chapter 431E, Hawaii Revised Statutes, that ensure consumer protections in life settlement transactions where the owner of a life insurance policy transfers the death benefit or any portion of the policy for compensation that is less than the expected death benefit, but more than the surrender value of the policy.

This bill also repeals the requirement that the Insurance Commissioner report annually to the Legislature on the implementation and effects of Act 177.

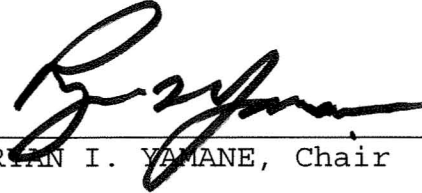
The Department of Commerce and Consumer Affairs, National Association of Insurance and Financial Advisors, and American Councils of Life Insurers supported this bill. The Coventry Group submitted comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 53 and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

SB53 HSCR HLT HMS 2009-2970



Respectfully submitted on
behalf of the members of the
Committee on Health,



RYAN I. YAMANE, Chair



