

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 53

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, 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 measure is to amend the Life Settlements Act by repealing the requirement that the Insurance Commissioner report annually to the Legislature and making the Act permanent.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the American Council of Life Insurers and the National Association of Insurance and Financial Advisors. Testimony with comments on this measure was received from Coventry. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that Hawaii is one of seven states that have enacted the National Conference of Insurance Legislators' Life Settlements Model Act and is one of thirteen states that regulate Stranger Oriented Life Insurance, a predatory practice by investors who purchase insurance policies on the lives of elderly persons for profit. Your Committee finds that the need to regulate Stranger Oriented Life Insurance transactions persists beyond the Life Settlements Act's original sunset date.

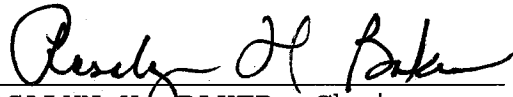
Your Committee further finds that the Insurance Commissioner's reporting requirement was originally enacted to assist with the initial implementation of the Life Settlements Act. Now that the Act has been successfully implemented, there is



no longer a need for the Insurance Commissioner to make annual reports to the Legislature. Your Committee notes that future amendments to the Life Settlements Act may be made through the normal legislative process.

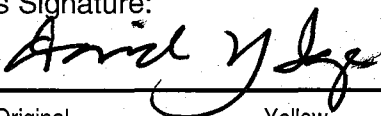
As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 53 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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


ROSALYN H. BAKER, Chair



**Record of Votes
Committee on Commerce and Consumer Protection
CPN**

Bill / Resolution No.:	Committee Referral:	Date:		
SB 53	CPN	2-25-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pass, unamended 2312	Pass, with amendments 2311	Hold 2310	Recommit 2313	
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred				✓
TOTAL	5			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes