

STAND. COM. REP. NO.

240

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 58
S.D. 1

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. 58 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to allow automobile insurers to exclude specified household members from coverage under an automobile insurance policy.

Your Committee received testimony in support of this measure from American Insurance Association, Geico, Property Casualty Insurers Association of America, and State Farm Insurance. Testimony in opposition to this measure was received from the Hawaii Association for Justice and Hawaii Independent Insurance Agents Association. The State Insurance Commissioner submitted comments. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that insurance policy in this State should have the goal of ensuring that drivers on Hawaii's roads are adequately insured. Your Committee is concerned that there seems to be disagreement among insurers and consumer advocates as to whether this measure is likely to result in more or fewer uninsured drivers. Further discussion on this measure is warranted.

Your Committee has amended this measure by:

2009-1129 SSCR SMA.doc



- (1) Adding the requirement that an excluded driver sign an acknowledgement of exclusion from the insurance policy;
- (2) Limiting the application of provisions that allow the exclusion of designated persons from coverage under an insurance policy to policies for personal, noncommercial vehicles;
- (3) Amending the effective date to July 1, 2015; and
- (4) Adding a sunset date of June 30, 2020.

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. 58, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 58, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

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


ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB58	Committee Referral: CPN, J90	Date: 02/13/09		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> 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	7	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes