

STAND. COM. REP. NO.

923

Honolulu, Hawaii

MAR 24 2011

RE: H.B. No. 1049
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 1049, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to update the Insurance Code and related provisions.

Your Committee received testimony in support of this measure from the Insurance Commissioner of the Department of Commerce and Consumer Affairs, Insurance Division of the Department of Commerce and Consumer Affairs, American Council of Life Insurers, and Hawaii Medical Service Association.

Your Committee finds that this measure will allow the Insurance Division to streamline its operations, improve administrative efficiency, retain accreditation by the National Association of Insurance Commissioners, and reduce the cost of insurance regulation. Your Committee further finds that the electronic filing provisions of this measure are not only good practice which allows the Insurance Division to take advantage of technology to improve efficiency but are also required to conform with federal law.

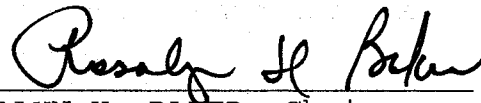
Your Committee has amended this measure by:



- (1) Clarifying that an approval required by law shall be deemed effective as of the sixtieth day following the filing of the request for approval if the Insurance Commissioner does not take affirmative action on the application before that time;
- (2) Specifying that the amendments made by this measure to the schedule of fees that may be charged by the Insurance Commissioner shall not be repealed when that section is repealed and reenacted to effectuate the sunset date applicable to other provisions within the schedule;
- (3) Inserting an effective date of July 1, 2011; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 H.B. No. 1049, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1049, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



