STAND. COM. REP. NO. 423

Honolulu, Hawaii

April 5 , 2011

RE: S.B. No. 124 S.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 124, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to allow motor vehicle insurers to replace an insured's policy when it expires with a new policy through an affiliate or subsidiary; provided that the new policy provides the same or better coverage at a lower premium than the expired policy.

The Department of Commerce and Consumer Affairs and State Farm Insurance Companies supported this bill.

Your Committee finds that this provision will not only benefit the consumer by providing lower premiums but will also exempt the insurer from prohibitions on cancellation or nonrenewal of motor vehicle policies under these conditions.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 124, S.D. 1, and recommends that it pass Third Reading.

SB124 SD1 HSCR CPC HMS 2011-3387



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

ROBERT N. HERKES, Chair

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

| Bill/Resolution No.: SB 124 SD1 | Committee Referral: | Date | 3/28/1 | 1 |
|---|---------------------|-----------|--------|---------|
| ☐ The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| CPC Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. HERKES, Robert N. (C) | | | | |
| 2. YAMANE, Ryan I. (VC) | | | | |
| 3. BROWER, Tom | | | | |
| 4. CABANILLA, Rida T.R. | | | | |
| 5. CARROLL, Mele | | | | |
| 6. ITO, Ken | | | | |
| 7. KEITH-AGARAN, Gilbert S.C. | | | | |
| 8. LUKE, Sylvia | | | _ | |
| 9. McKELVEY, Angus L.K. | | | | |
| 10. MORITA, Hermina M. | | | | |
| 11. OSHIRO, Blake K. | | | | |
| 12. SOUKI, Joseph M. | | | | |
| 13. TSUJI, Clift | | | | |
| 14. CHING, Corinne W.L. | | | | |
| 15. MARUMOTO, Barbara C. | | | | · |
| 16. THIELEN, Cynthia | | | | |
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| TOTAL (15) |) /2 | | | 3 |
| The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |