

STAND. COM. REP. NO. 1130

Honolulu, Hawaii

March 24, 2011

RE: S.B. No. 1278
S.D. 1
H.D. 1

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

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred S.B. No. 1278, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this bill is to protect consumers,
particularly seniors, from abusive financial service practices by
adopting model regulations of the National Association of
Insurance Commissioners in conformity with senior investor
protection in the federal Dodd-Frank Wall Street Reform and
Consumer Protection Act of 2010.

The Department of Commerce and Consumer Affairs and NAIFA
Hawaii testified in support of this bill. The American Council of
Life Insurers provided comments.

Your Committees have amended this bill by:

- (1) Limiting provisions allowing an insurer to contract for
performance of functions by excluding functions that are
non-delegable;
- (2) Making provisions related to the prohibition of
misleading senior-specific certifications and
professional delegations effective upon approval; and

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- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1278, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1278, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Consumer
Protection & Commerce and
Judiciary,



GILBERT KEITH-AGARAN Chair



ROBERT N. HERKES, Chair



