

STAND. COM. REP. NO. 540

Honolulu, Hawaii
Feb 18, 2011

RE: H.B. No. 1050
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 H.B. No. 1050 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

beg leave to report as follows:

The purpose of this bill is to modernize the laws regulating
legal service plans and allow the Insurance Commissioner to take
action against plans that fail to comply with the law.

The Department of Commerce and Consumer Affairs (DCCA)
supported this measure.

Your Committees have amended this bill by:

- (1) Clarifying that the Insurance Commissioner has 90 days
from filing of the application by the plan to issue or
deny a certificate of authority;
- (2) Repealing provisions that allocated 50 percent of the
fees and penalties to the General Fund, thereby
depositing all fees and penalties into the Compliance
Resolution Fund;
- (3) Specifying that a fee for each criminal history record
check and fingerprinting checking be established by the
Insurance Commissioner;

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- (4) Clarifying the repeal and reenactment provisions related to the various DCCA fees; and
- (5) 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 H.B. No. 1050, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1050, 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



