

STAND. COM. REP. NO. 624-12

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 2359
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2359 entitled:

"A BILL FOR AN ACT RELATING TO PORTABLE ELECTRONICS INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to protect consumers of portable electronics in Hawaii by making portable-electronics insurance available for purchase.

Asurion supported this bill. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee has amended this bill by, among other things:


- (1) Removing specific sanctions for vendors who violate the portable-electronics-insurance law;
- (2) Specifying that for an insurer to terminate or otherwise change the terms and conditions of a portable-electronics insurance policy under certain circumstances, it must obtain the consent of both the vendor who sold the policy and the customer who purchased the policy;



- (3) Specifying that initial licenses issued to portable-electronics vendors to sell portable-electronics insurance are valid for at least 24 months and that renewed licenses are valid for 24 months;
- (4) Requiring each portable-electronics vendor who sells portable-electronics insurance to pay to the Insurance Commissioner a fee of \$2,000 for the issuance of the initial portable-electronics limited-lines license, plus a yearly fee of \$1,200 for the initial or a renewed license;
- (5) Changing the effective date to January 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for purposes of consistency, clarity, and style.

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 H.B. No. 2359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2359, H.D. 1, and be referred to the Committee on Finance.

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


ROBERT N. HERKES, Chair



