

Honolulu, Hawaii

Feb 16 , 2012

RE: H.B. No. 2506

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. 2506 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to improve insurance laws in Hawaii by:

- (1) Establishing a standalone surplus lines broker license;
- (2) Clarifying and streamlining the licensing requirements for reinsurance intermediaries under Article 9B of the Insurance Code;
- (3) Strengthening the training requirements for insurance producers who sell annuity products in Hawaii; and
- (4) Enhancing the Insurance Commissioner's statutory enforcement authority by allowing the Commissioner to require violators of the insurance laws to pay restitution.

The Department of Commerce and Consumer Affairs and National Association of Insurance and Financial Advisors supported this bill. The American Council of Life Insurers submitted comments.



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. 2506 and recommends that it pass Second Reading 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



