

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 2769
S.D. 2
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 Housing, to which was referred S.B. No. 2769, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to make homeowners insurance and motor vehicle insurance premium information more readily available to the public by:

- (1) Requiring the Insurance Commissioner to publish lists of all homeowners and motor vehicle insurers annual premiums on the Insurance Division's official website;
- (2) Requiring all homeowners and motor vehicle insurers to provide premium information to the Insurance Commissioner within 30 days of the Insurance Commissioner's request; and
- (3) Authorizing the Insurance Commissioner to review the rate filings of insurers and adjust the rates if the rates are excessive, inadequate, or unfairly discriminatory.

This measure also authorizes insurers to meet the filing requirements by subscribing to an advisory organization that makes filings.



The Department of Commerce and Consumer Affairs testified in support of this measure. American Insurance Association, Hawaii Insurers Council, Liberty Mutual, and Property Casualty Insurers Association of America testified in opposition to this measure. State Farm Insurance Companies commented on this measure.

Your Committee notes that existing law already makes notices, hearings, orders, and appeals under Article 14, Chapter 431, Hawaii Revised Statutes (HRS), relating to rate regulation, subject to the Hawaii Administrative Procedure Act under Chapter 91, HRS. The proposed decision of the hearings officer as indicated in the measure is subject to the appeals process under the Administrative Procedure Act.

Your Committee has amended this measure by:

- (1) Specifying that if an insurer files a written request for a hearing on the Insurance Commissioner's disapproval of a rate filing, the existing effective rate shall remain in effect until the final order is rendered and the appeals process has been exhausted; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2769, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2769, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Housing,

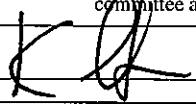

RIDA T.R. CABANILLA, Chair



HSCR 1037-12

State of Hawaii
House of Representatives
The Twenty-sixth Legislature

Record of Votes of the Committee on Housing

Bill/Resolution No.: SB 2769 SD 2	Committee Referral: HSG, CPC, FIN	Date: 3/14/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. CABANILLA, Rida T.R. (C)	✓			
2. ITO, Ken (VC)	✓			
3. CARROLL, Mele	✓			
4. CHANG, Jerry L.	✓			
5. COFFMAN, Denny	✓			
6. HAR, Sharon E.	✓			
7. HERKES, Robert N.				✓
8. KAWAKAMI, Derek S.K.	✓			
9. NAKASHIMA, Mark M.	✓			
10. PINE, Kymberly Marcos				✓
11. THIELEN, Cynthia				✓
TOTAL (11)	8			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				