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TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-SIXTH LEGISLATURE  
Regular Session of 2012

Thursday, February 23, 2012  
2 p.m.

**TESTIMONY ON HOUSE BILL NO. 2359, H.D. 1 – RELATING TO PORTABLE  
ELECTONICS INSURANCE.**

TO THE HONORABLE MARCUS R. OSHIRO, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner (“Commissioner”),  
testifying on behalf of the Department of Commerce and Consumer Affairs  
(“Department”). The Department takes no position on this bill, as amended, which  
proposes to adopt a new article for insurance relating to portable electronics. The H.D.  
1 contains a defective effective date of January 1, 3000.

If adopted, this would present the vendor with an alternative to the service  
contract provider authorized by HRS chapter 481X. Presently, service contract  
providers offer similar types of indemnity protections in conjunction with the service  
contracts/extended warranties. The Department understands this bill would not prevent  
the continued marketing of the service contract providers' current products.

We thank the Committee for the opportunity to present testimony on this matter.