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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Monday, February 4, 2013
2:30 p.m.

**TESTIMONY ON HOUSE BILL NO. 142 – RELATING TO PORTABLE
ELECTRONICS INSURANCE.**

TO THE HONORABLE ANGUS McKELVEY, 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 supports the intent of this bill and offers the following
comments.

The purpose of this bill is to amend Hawaii Revised Statutes (“HRS”) § 431:31-
107(e) by increasing: (1) the initial licensing fee for portable electronics insurance
limited lines vendors from \$150 to \$5,000; and (2) the annual licensing fee from \$150 to
\$2,500.

The portable electronics insurance producer limited lines license permits the
vendor to operate from multiple locations and supervise the sale of insurance by
unlicensed individual employees. This is similar to the limited lines motor vehicle rental
company producer license, which is set at \$2,000 for license issuance and \$1,200 for
the annual licensing fee (until June 30, 2014), pursuant to HRS § 431:7-101(a)(18) and
(b)(17), respectively.

The Department suggests fees for the portable electronics producer license that are comparable to the motor vehicle rental company producer license, since they are both limited lines licenses and operate with similar business models.

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