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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014

Monday, February 3, 2014  
2:10 p.m.

**TESTIMONY ON HOUSE BILL NO. 2015 – RELATING TO INSURANCE.**

TO THE HONORABLE ANGUS L.K. McKELVEY, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department supports this bill and submits the following comments:

This bill requires the insurer to pay or repay a claimant the amount of general excise tax and the fee required to obtain a certificate of ownership associated with the purchase of vehicle, subject to claimant's timely request.

HRS § 431:10C-312, entitled Payment of excise tax and certificate of ownership fee, provides for such payment or reimbursement to an insured. No statute currently provides for recovery of these costs by a third-party claimant.

This bill would establish parity between a first party insured and a third-party claimant if the following changes were made:

Page 1, line 9. Change the word "by" to "from."

Page 2, line 2. Change the word "insured" to "claimant."

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Alternatively, the Department recommends that HRS § 431:10C-312 be amended to add the phrase “or third-party claimant” following every appearance of the word “insured.”

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