

Honolulu, Hawaii

February 19, 2016

RE: H.B. No. 2324

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2324 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Adopt the National Association of Insurance Commissioners' Risk Management and Own Risk and Solvency Assessment Model Act;
- (2) Apply risk-based capital supplemental provisions, severability, and notice provisions to risk retention captive insurance companies; and
- (3) Adopt the National Association of Insurance Commissioners Model Risk Retention Act.

The Department of Commerce and Consumer Affairs, National Association of Mutual Insurance Companies, American Council of Life Insurers, and Property Casualty Insurers Association of America testified in support of this measure. The Hawaii Medical Association testified in support of the intent of this measure. The Office of Information Practices provided comments on this measure.



Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2112, to encourage further discussion; 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2324, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ANGUS L.K. MCKELVEY, Chair



