

STAND. COM. REP. NO.

2500

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2851
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2851 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Insurance Commissioner to determine whether residential property insurance is unavailable due to a moratorium on insurance policies in a lava zone during a state of emergency due to lava flow.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from one individual.

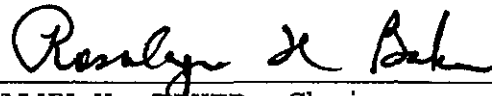
Your Committee finds that Act 32, Session Laws of Hawaii 2015 (Act 32), assisted current and future homeowners who reside in lava zone areas in Hawaii County by, among other things, lifting the moratorium on issuing new property insurance policies in these same areas, if residential property insurance was unavailable. However, after the passage of Act 32, a question was raised about how to determine the availability of residential property insurance due to a moratorium. This measure clarifies this question by designating the Insurance Commissioner to make the determination.



Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2851, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2851, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



