

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 2853
S.D. 2
H.D. 1
C.D. 1

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

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2853, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

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 certain requirements for risk-based capital and severability and notice provisions to risk retention captive insurance companies; and
- (3) Adopt the National Association of Insurance Commissioners' Model Risk Retention Act.



Your Committee on Conference finds that the National Association of Insurance Commissioners requires all states to adopt its Risk Management and Own Risk and Solvency Assessment Model Act by January 1, 2018, to maintain accreditation. The National Association of Insurance Commissioners also requires Hawaii to adopt the Association's Model Risk Retention Act by January 1, 2017, and amend state insurance law relating to risk retention captive insurance companies to maintain accreditation. Accordingly, this measure makes necessary amendments to the Insurance Code, which will enable the Department of Commerce and Consumer Affairs to maintain its accreditation with the National Association of Insurance Commissioners.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of upon its approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2853, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2853, S.D. 2, H.D. 1, C.D. 1.

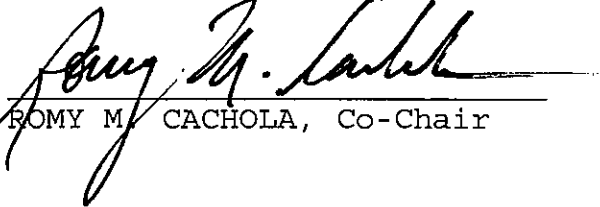
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

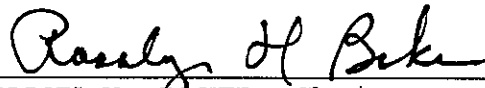
ON THE PART OF THE SENATE



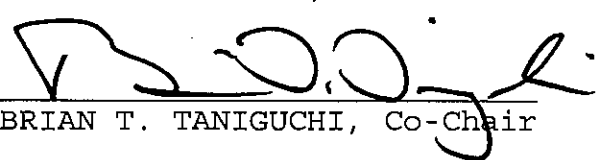
ANGUS L.R. MCKELVEY, Co-Chair



ROMY M. CACHOLA, Co-Chair



ROSALYN H. BAKER, Chair



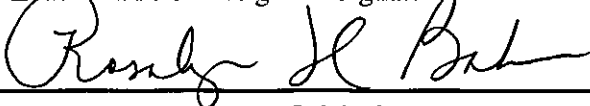
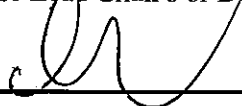
BRIAN T. TANIGUCHI, Co-Chair



Hawaii State Legislature

CR 74-16

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 2853, SD 2, HD 1					Date/Time: 4/29/16 10:52 AM				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
TANIGUCHI, Brian T., Co-Chr.	✓				CACHOLA, Romy M., Co-Chr.	✓			
SLOM, Sam					WOODSON, Justin H.	✓			
					FUKUMOTO CHANG, Beth	✓			
TOTAL	2	-	-	1	TOTAL	4	-	-	-
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is:					House Recommendation is:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
									
Distribution:		Original	Yellow	Pink	Goldenrod				
		File with Conference Committee Report	House Clerk's Office	Senate Clerk's Office	Drafting Agency				