

Honolulu, Hawaii

APR 28 2017

RE: S.B. No. 953
S.D. 2
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
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. 953, 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 make various updates to the State's insurance code relating to: third-party claimants; insurance fraud penalties; certificates of authority; motor vehicle insurance self-insurers; nonresident adjusters; insurance producer licensing; and supervisory proceedings undertaken by the Insurance Commissioner.

Your Committee on Conference finds that this measure will update and improve the State's insurance code in a number of areas. Among other things, this measure proactively allows the Commissioner to trigger the arrival and assistance of nonresident adjusters in the State ahead of a declaration of emergency by the Governor.



Your Committee on Conference further finds that this measure also conforms the State's producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act by eliminating producer-to-producer appointments. In 2001, the Insurance Division deviated from the model law to conform with the then-current system, and as a result, Hawaii is now the only state that has a producer-to-producer appointment law. This measure ensures Hawaii's insurance code is uniform with other states' statutes.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have required certain actions by a producer and insurer upon initiation by the producer of termination of the producer's appointment with the insurer, as this language did not conform to the Producer Licensing Model Act;
- (2) Changing its effective date to July 1, 2017; provided that the provisions relating to producer licensing shall take effect on January 1, 2019; and
- (3) 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. 953, 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. 953, 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

R. Takumi

ROY M. TAKUMI
Co-Chair

Rosalyn H. Baker

ROSALYN H. BAKER
Chair

Th. J. K. Cullen

TH. J. K. CULLEN
Co-Chair

Gilbert S.C. Keith-Agaran

GILBERT S.C. KEITH-AGARAN
Co-Chair

Brian T. Taniguchi

BRIAN T. TANIGUCHI
Co-Chair



CLR 88

Hawaii State Legislature

**Record of Votes of a
Conference Committee**

Bill / Concurrent Resolution No.: SB 953, SD 2, HD 1	Date/Time: 4-24-17 3:30 pm
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The recommendation of the House and Senate managers is to pass with amendments (CD).

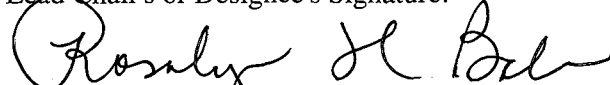
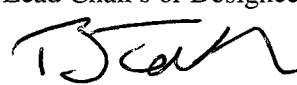
The Committee is reconsidering its previous decision.

<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.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
KEITH-AGARAN, Gilbert S.C., Co-Chr.	✓				CULLEN, Ty J.K., Co-Chr.	✓			
TANIGUCHI, Brian T., Co-Chr.				✓	WARD, Gene				✓
IHARA, Les, Jr.	✓								
NISHIHARA, Clarence K.				✓					
TOTAL	3	-	-	2	TOTAL	2	-	-	1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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File with Conference Committee *House Clerk's Office* *Senate Clerk's Office* *Drafting Agency*