

Honolulu, Hawaii

APR 06 , 2018

RE: S.B. No. 2773
S.D. 2
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2773, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THIRD PARTY ADMINISTRATORS,"

begs leave to report as follows:

The purpose of this measure is to protect consumers in Hawaii by establishing a regulatory structure for third party administrators of insurance contracts, which:

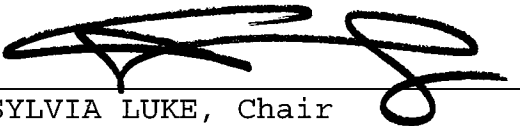
- (1) Requires disclosure of contracts between insurers and third party administrators to potential insureds and the Insurance Commissioner;
- (2) Promotes the financial responsibility of third party administrators;
- (3) Regulates third party administrators' practices; and
- (4) Governs the qualifications and procedures for the licensing of third party administrators.

The Insurance Division of the Department of Commerce and Consumer Affairs and Hawaii-Western Management Group submitted comments.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2773, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



