

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2938
S.D. 1
H.D. 1

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2938, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE REGULATORY VARIANCE,"

begs leave to report as follows:

The purpose of this measure is to authorize the Insurance Commissioner to grant no action letters, waivers, and variances with respect to a requirement within the Insurance Code or its rules when certain conditions are met.

The Insurance Division of the Department of Commerce and Consumer Affairs, American Insurance Association, State Farm Mutual Automobile Insurance Company, and Hawaii Medical Service Association testified in support of this measure. The Hawaii Association for Justice testified in opposition. The Office of Information Practices and Kaiser Permanente Hawai'i provided comments.

Your Committee has amended this measure by:

- (1) Limiting the Insurance Commissioner's ability to grant no action letters, waivers, and variances to only health insurers; and



- (2) Changing its effective date to July 1, 2050, to promote further discussion.

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 S.B. No. 2938, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2938, S.D. 1, 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,



ROY M. TAKUMI, Chair



