

Honolulu, Hawaii

MAR 28 2018

RE: S.C.R. No. 137

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.C.R. No. 137 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THAT THE INSURANCE
COMMISSIONER ESTABLISH AND CONVENE AN INSURANCE MODERNIZATION
WORKING GROUP TO UPDATE AND MODERNIZE HAWAII'S PROPERTY,
CASUALTY, AND LIFE INSURANCE LAWS,"

begs leave to report as follows:

The purpose and intent of this measure is to request the
Insurance Commissioner to establish and convene an Insurance
Modernization Working Group to update and modernize Hawaii's
property, casualty, and life insurance laws.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs, O'ahu County
Committee on Legislative Priorities of the Democratic Party of
Hawai'i, State Farm Mutual Automobile Insurance Company, and one
individual. Your Committee received comments on this measure from
the National Association of Insurance and Financial Advisors and
Hawaii Association for Justice.

Your Committee finds that technology and consumer
expectations are rapidly transforming the regulated insurance
industry. Substantial investments are being made in innovative
insurance products, services, and technologies, which have great
potential to improve risk mitigation, improve efficiencies, reduce



costs of insurance transactions, speed up claim payments, and improve overall customer understanding of, and satisfaction with, this essential form of financial protection. This measure therefore requests the Insurance Commissioner to establish a working group to explore and propose legislation to update and modernize Hawaii's property, casualty, and life insurance laws, in light of the rapid technological changes to the insurance industry, which will help streamline Hawaii's insurance laws and ensure a seamless transition in the evolution of insurance regulation in the State.

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 concurs with the intent and purpose of S.C.R. No. 137, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 137, S.D. 1.

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



ROSALYN H. BAKER, Chair



