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**TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE**

**TWENTY-NINTH LEGISLATURE  
Regular Session of 2018**

Wednesday, March 14, 2018  
2:00 p.m.

**TESTIMONY ON SENATE BILL NO. 2493, S.D. 2, RELATING TO INSURANCE.**

TO THE HONORABLE ROY M. TAKUMI, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on S.B. 2493, S.D. 2, Relating to Insurance. My name is Gordon Ito, and I am the Insurance Commissioner for the Department’s Insurance Division. The Department provides the following comments.

The purpose of this bill is to delay implementation of sections 7, 8, and 9 of Act 152, Session Laws of Hawaii 2017. The Department agrees with extending the effective date to eliminate producer-to-producer appointments to January 1, 2020.

Thank you for the opportunity to provide testimony on this measure.

## TESTIMONY OF ALISON UEOKA

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COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
Representative Roy M. Takumi, Chair  
Representative Linda Ichiyama, Vice Chair

Wednesday, March 14, 2018  
2:00 p.m.

### **SB 2493, SD2**

Chair Takumi, Vice Chair Ichiyama, and members of the Committee on Consumer Protection & Commerce, my name is Alison Ueoka, President of the Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **supports** this bill. Extending the date to repeal the producer to producer law allows HIC members adequate time to develop and execute new contracts between producers and insurers. This is a sea-change from what has traditionally been done in Hawaii and we appreciate the additional time allowed to ensure all contracts are executed properly. We look forward to continuing to work with the Insurance Division on a smooth transition.

Thank you for the opportunity to testify.



House Committee on Consumer Protection & Commerce

Date: March 14, 2018 Time: 2:00 pm

**RE: SB 2493, SD2 – Relating to Insurance**

Chair Takumi, Vice Chair Ichiyama, and members of the Committee, the National Association of Insurance and Financial Advisors (NAIFA) Hawaii represents life insurance producers/agents across Hawaii who primarily market life insurance, annuities, long term care insurance and disability income insurance products.

We **support** SB 2493, SD2, that will postpone the effective date to January 1, 2020 for Sections 7, 8, and 9 provisions in Act 152, SLH 2017. Act 152 conforms to the National Association of Insurance Commissioners (NAIC) model act for insurance producer licensing requirements.

Act 152 will only allow for “insurer to producer” appointments and eliminate the “producer to producer” appointments. Hawaii was the anomaly in the country allowing for the “producer to producer” appointments.

SB 2493, SD2, will provide ample time for the industry to complete the new producer appointments by the insurers. According to the 2017 Insurance Commissioner’s Report, as of June 30, 2017, there were 7,000 licensed resident producers.

Mahalo for allowing us to share our views and for your favorable consideration.

Cynthia Takenaka  
Executive Director  
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