

STAND. COM. REP. NO. 764

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 1211

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 1211 entitled:

"A BILL FOR AN ACT RELATING TO FORMS SUBMITTED TO THE INSURANCE COMMISSIONER, "

begs leave to report as follows:

The purpose and intent of this measure is to remove the requirement that a vehicle protection product warrantor and a service contract provider submit to the Insurance Commissioner a copy of each warranty or service contract form proposed for use in the State.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Motor Vehicle Protection Products Association.

Your Committee finds that, currently, vehicle protection product warrantors and service contract providers must annually submit a copy of each warranty or service contract form proposed for use in the State. However, the Insurance Commissioner does not have the regulatory authority or expertise to approve these forms. This measure removes this submission requirement and prevents any misconception by warrantors, service contract providers, or the public that the Insurance Commissioner has inspected and approved the warrantor forms or service contract forms for use. This measure also reduces the regulatory burden for warrantors and service contract providers and reduces the

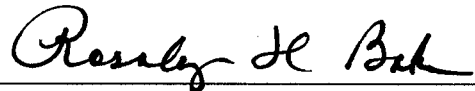


Insurance Commissioner's administrative expenses and duties to scan and store all the forms.

Your Committee notes that this measure does not remove other contract and disclosure requirements that protect consumers, nor does it eliminate the power of the Insurance Commissioner to investigate or enforce existing laws concerning service contracts and vehicle protection products.

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 is in accord with the intent and purpose of S.B. No. 1211 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



