

Honolulu, Hawaii

APR 26 2019

RE: S.B. No. 1212
S.D. 1
H.D. 1
C.D. 1

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

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1212, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REGULATORY AUTHORITY OF THE INSURANCE COMMISSIONER,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to require third-party administrators to be licensed and regulated by the Insurance Commissioner.

Your Committee on Conference finds that third-party administrators collect charges or premiums from residents in the State in connection with insurance policies, or adjust or settle claims on those policies. Hawaii is one of eight states and jurisdictions that do not regulate third-party administrators. This measure is based on the National Association of Insurance Commissioner's Registration and Regulation of Third-Party



Administrators Guideline, which offers flexible, bright line rules to help states tailor and adopt measures particular to their own needs. This measure regulates third-party administrators, ensures adequate consumer protection, and promotes transparency of third-party administrators by requiring licensure, encouraging disclosure of contracts between insurers and third-party administrators, and promoting the financial responsibilities of third-party administrators.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to January 1, 2020; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1212, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1212, S.D. 1, H.D. 1, C.D. 1.

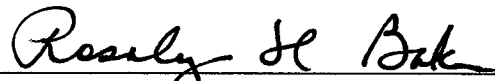
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



ROY M. TAKUMI
Co-Chair



ROSALYN H. BAKER
Chair



NADINE K. NAKAMURA
Co-Chair



Hawai'i State Legislature

CCR 80

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 1212, SD 1, HD 1					Date/Time: <i>2:38 PM 4-25-2019</i>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
KEOHOKALOLE, Jarrett	✓				NAKAMURA, Nadine K., Co-Chr.	✓			
FEVELLA, Kurt				✓	CACHOLA, Romy M.				✓
					MATSUMOTO, Lauren	✓			
TOTAL	2	-	-	1	TOTAL	3	-	-	1
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: <i>Rosalyn H Baker</i>					House Lead Chair's or Designee's Signature: <i>B. Lee</i>				
Distribution: Original		Yellow			Pink		Goldenrod		
File with Conference Committee Report		House Clerk's Office			Senate Clerk's Office		Drafting Agency		