

Honolulu, Hawaii

, 2019

APR 05

RE: S.B. No. 19

S.D. 2

H.D. 1

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 19,  
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SURPLUS LINES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Simplify the calculation of the surplus lines insurance premium tax rate by amending the calculation to tax the entirety of the premium using the rate established by state law, regardless of location of risk; and
- (2) Repeal the authority of the Insurance Commissioner to enter into interstate compacts to collect surplus lines premium taxes.

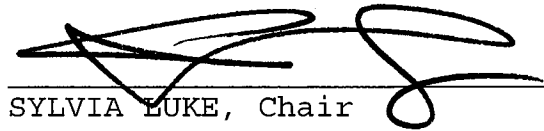
The American Property Casualty Association testified in support of this measure. The Department of Commerce and Consumer Affairs and Wholesale & Specialty Insurance Association provided comments.

Your Committee has amended this measure by changing the effective date to October 1, 2019.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 19, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 19, S.D. 2, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
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SYLVIA LUKE, Chair



