

STAND. COM. REP. NO. 760

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 543

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. 543 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify the
requirement for a motor vehicle insurer to maintain a complete
sales and claims service office does not apply to the County of
Kalawao.

Your Committee received testimony in support of this measure
from the Hawaii Insurers Council, State Farm Insurance Company,
and one individual.

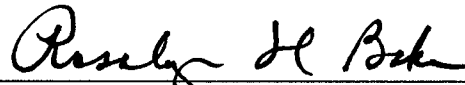
Your Committee finds that under existing law, motor vehicle
insurers must maintain a "brick and mortar" sales and claims
service office, although licensed producers of motor vehicle
insurers are able to satisfy this requirement by establishing and
maintaining a sales and claims office in every county in which the
insurer does business. However, when this exception to the
complete sales and claims office requirement was passed, the
County of Kalawao was not excluded. Your Committee notes that the
County of Kalawao is the smallest county in the country. There
are no driver's licenses issued by the county and, due to the
limited number of vehicles, no insurance agent offices. Requiring
a sales and claims agent in the County of Kalawao is therefore an
unnecessary expense with no benefit. Accordingly, this measure



excludes the County of Kalawao from the complete sales and claims office requirement and the county office exception under the State's motor vehicle insurance code.

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. 543 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,

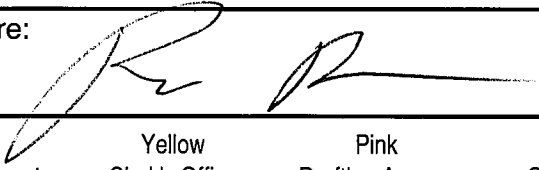


ROSALYN H. BAKER, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 543	CPH	2/15/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	X			
CHANG, Stanley (VC)				X
KEOHOKALOLE, Jarrett	X			
NISHIHARA, Clarence K.				X
RUDERMAN, Russell E.	X			
THIELEN, Laura H.	X			
FEVELLA, Kurt	X			
TOTAL	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes