

STAND. COM. REP. NO.

2942

Honolulu, Hawaii

FEB 27 2020

RE: S.B. No. 2876
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2876 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to amend various
portions of Hawaii Revised Statutes to update and improve existing
insurance code provisions.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs, Hawaii
Insurers Council, and the Hawaii Medical Service Association.
Your Committee received testimony in opposition to this measure
from the American Association of Public Insurance Adjusters.

Your Committee finds that there are certain areas of the
insurance code that have not been updated in decades. This
measure will, among other things, help reduce the potential for
exorbitant commissions for public adjusters, establish a uniform
standard of conduct agreement for various limited lines to reduce
the potential for consumer misinformation and harm, reinsert
inadvertently deleted provisions concerning the right to an
administrative hearing in certain situations, and make other
necessary administrative amendments to the insurance code to
enhance consumer protection.

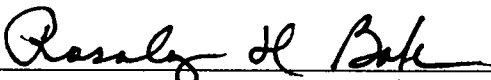


Your Committee has amended this measure by:

- (1) Clarifying that a public adjuster contract shall not contain any contract term that precludes an insured from pursuing civil remedies;
- (2) Inserting a severability clause; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

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. 2876, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2876, S.D. 1, 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 2876	CPH	2/19/20		
<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 type="checkbox"/> Pass, unamended 2312	<input checked="" 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)	✓			
CHANG, Stanley (VC)	✓			
NISHIHARA, Clarence K.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
WAKAI, Glenn				✓
FEVELLA, Kurt				✓
TOTAL	4			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes