



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Tourism
Tuesday, January 30, 2024
10:00 a.m.

State Capitol, Conference Room 423 and via videoconference

On the following measure:
H.B. 1990, RELATING TO TRAVEL INSURANCE

Chair Quinlan and Members of the Committee:

My name is Gordon Ito, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill is to establish a framework to regulate the sale of travel insurance in the State.

The bill, on p. 7, lines 6-7, includes in the definition of a "limited lines travel insurance producer" a "licensed insurance producer, including a limited lines producer[.]" We respectfully suggest that the definition be clarified to refer to Hawaii Revised Statutes section 431:9A-107.5(a)(1), the statute that already provides for limited lines producer licensing for travel insurance, as follows: "(2) Licensed insurance producer, including a limited lines producer licensed under Hawaii Revised Statutes section 431:9A-107.5(a)(1); or[.]"

The new subsection (b) created on p. 22, lines 8-11, of the bill appears to potentially exempt a travel administrator and its employees from the licensing requirements of Hawaii Revised Statutes section 431:9-201(a), requiring licensing of adjusters. This would potentially allow adjusting by individuals who are not appropriately licensed. Moreover, this new subsection (b) may be construed to conflict with the new subsection (a) created on p. 21, lines 18 to p. 22, line 7. Accordingly, we respectfully request that the new subsection (b) created in on p. 22, lines 8-11 be stricken.

Thank you for the opportunity to testify on the bill.

Hawaii House Bill 1990*Hawaii House Committee on Tourism**January 30, 2024***Statement of Duke de Haas on behalf of AGA Service Company**

Good morning Members of the House Committee on Tourism:

My name is Duke de Haas, I am Vice President and Deputy General Counsel at AGA Service Company (“Allianz”), and I am also Co-Chair of the United States Travel Insurance Association Law and Regulation Committee.

The UStiA’s members include insurance carriers, third-party administrators, insurance agencies, and related businesses in the development, administration, and sale of travel insurance and travel assistance products.

Allianz is a large writer of travel insurance, and it has an insurance company, as well as a fully licensed travel insurance producer authorized to do business in all 50 states, including Hawaii.

Thank you for bringing House Bill 1990 before the Committee today. H.B. 1990 is important for travel consumers, state insurance regulators and the industry.

H.B. 1990 contains Model Act language from the National Association of Insurance Commissioners (all the chief insurance regulators in the US), which is essentially identical to a Model Act authored by the National Council of Insurance Legislators (NCOIL).

To date, 35 states have enacted the Model Act, and we are working in another 9 states, including Hawaii, in 2024.

H.B. 1990, if enacted, would amend the insurance code to clarify the regulatory framework for the sale of travel insurance on a national, uniform basis. The bill standardizes definitions and contains consumer protections, including with respect to sales practices, a free-look period for refunds, and various consumer disclosures.

Allianz, the UStiA and other industry participants support the legislation.

We are not aware of any opposition.

We thank you for your time and consideration, and we are happy to answer any questions.

How can we help?

Allianz Global Assistance
9950 Mayland Drive
Richmond, Virginia 23233

804.281.6707
dukedehaas@allianz.com



mwe.com

Michael Byrne
Attorney at Law
mbyrne@mwe.com
+1 212 547 5388

January 29, 2024

Hawaii House of Representatives
House Committee on Tourism
House Conference Room 423

Re: H.B. 1990, Hawaii Travel Insurance Act

Dear Committee Members:

I am writing on behalf of the U.S. Travel Insurance Association (“USTiA”) in support of House Bill 1990—the Hawaii Travel Insurance Act—a comprehensive bill that includes provisions governing how travel insurance is regulated in Hawaii. USTiA is the national association of the travel insurance industry. Its members include insurance carriers, third-party administrators, insurance agencies, and related businesses involved in the development, administration, and marketing of travel insurance and travel assistance products.

The American Property Casualty Insurance Association (“APCIA”) is also signing this letter in support of H.B. 1990. APCIA is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the U.S. and across the globe.

By enacting legislation that closely tracks the Travel Insurance Model Act, a version of which was approved by the National Council of Insurance Legislators (“NCOIL”) in 2017 and the National Association of Insurance Commissioners (“NAIC”) in 2018, Hawaii would join a growing number of states—35 and counting—incorporating into their statutes a uniform and workable regulatory regime for travel insurance sales. This important legislation builds upon existing regulatory frameworks and distinguishes between insurance and non-insurance elements of travel protection plans in establishing the proper scope and reach of the regulatory framework.

H.B. 1990 has been thoroughly vetted to ensure the legislation that appears before you creates an efficient, effective regulatory framework for travel insurance that benefits consumers, empowers regulators, and ensures the marketplace operates fairly.

For these reasons, USTiA and APCIA support H.B. 1990 and urge the Committee to pass the bill. Thank you so much for your consideration.

Sincerely,

H. Michael Byrne
Counsel, USTiA

Mark Sektan
Vice President, State Government Relations
APCIA



1003 Bishop Street
Honolulu, Hawaii 96813
Telephone (808) 525-5877

Alison H. Ueoka
President

TESTIMONY OF ALISON UEOKA

COMMITTEE ON TOURISM
Representative Sean Quinlan, Chair
Representative Natalia Hussey-Burdick, Vice Chair

Tuesday, January 30, 2024
10:00 a.m.

HB 1990

Chair Quinlan, Vice Chair Hussey-Burdick, and members of the Committee on Tourism, my name is Alison Ueoka, President for Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

HIC supports the intent of the bill. A comprehensive, uniform, and national regulatory framework – as provided in the proposed legislation is needed to: (i) clarify the application of current laws to the unique aspects of travel insurance, which is sold on a national basis and is a product that travels with a consumer across state and national boundaries; (ii) benefit consumers by standardizing protections and requirements; (iii) establish a level playing field for the travel insurance market; and (iv) clarify and bolster regulator' enforcement authority over the travel insurance industry.

The legislation is based on the Travel Insurance Model Act adopted by the National Council of Insurance Legislators (NCOIL) and National Association of Insurance Commissioners (NAIC) (the "Model Act"). The Model Act was thoroughly vetted by, and has national support among, legislators, regulators, and meetings, Hawaii voted in favor of enacting the NAIC Travel Insurance Model Act.

As of January 2024, thirty-five (35) states have enacted the Model Act, which is expected to eventually become enacted across the country. A number of other states are considering the Model Act for their current/next legislative session.

Thank you for the opportunity to testify.



CRUM & FORSTER®

A FAIRFAX COMPANY

January 29, 2024

Committee Members

RE: Testimony in Support of S3087/A3913 Travel Insurance

Dear Committee Members:

Good afternoon. My name is Caren Alvarado and I am VP of Regulatory Affairs for Crum& Forster, a subsidiary of Fairfax Holdings. My organization has been writing travel insurance for many years and we are therefore very familiar with the unique intricacies of these products and the marketplace. I am also Co-Chair of the Law and Reg Committee for the US Travel Insurance Association (USTiA) that is comprised of a variety of organizations involved in the travel insurance industry.

I would like to thank the members for bringing HB 1990 before the Committee today and for allowing interested parties the opportunity to provide testimony in support of the Travel Bill.

This crucial legislation builds upon existing regulatory frameworks and further promotes a framework that works for everyone – regulators, consumers, and industry players alike, promoting a clear and level playing field with minimal negative disruption while promoting uniformity throughout the states. Both the industry and consumers will benefit from a nationwide consistent approach for travel protection plans that include insurance and non-insurance components. By incorporating this regulatory framework into your statute, you will ensure clarity and consistency is provided to the way travel insurance products are regulated.

This travel insurance legislation is good for all industry participants because going forward, we will have specific requirements applicable to travel insurance with which all players will have to comply, including new entrants to this growing market. The language before you today has been thoroughly vetted to ensure the legislation creates an efficient, effective regulatory framework for travel insurance that benefits consumers, empowers regulators, and ensures the marketplace operates fairly.

This legislation is aligned with the model law adopted by adopted by the National Council of Insurance Legislators (NCOIL) and the National Association of Insurance Commissioners (NAIC). Industry worked alongside the NAIC, NCOIL, Insurance Divisions of the various states, and the overall travel community for many years, leading to the NAIC's adoption of the model. We support the bill because it is good for consumers and industry participants alike. 36 other states have already enacted legislation based upon these Model Acts and several states are contemplating enacting similar legislation in the coming months.



CRUM & FORSTER®

A FAIRFAX COMPANY

We respectfully request that you approve this important legislation. On behalf of Crum & Forster, thank you for your consideration of HB 1990 that will ensure the industry and consumers will benefit from a transparent framework for travel insurance as well as for your continued support of our industry.

Please let us know if you have any questions or we can provide any additional information.

Very truly yours,

Caren Alvarado, VP Regulatory Affairs & Compliance
Crum & Forster A&H Division
732.676.9819
caren.alvarado@cfins.com