

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2854
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2854, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to make various amendments throughout the Insurance Code to improve clarity and efficiency.

Specifically, the measure amends various provisions in the Insurance Code relating to:

- (1) Property insurance;
- (2) Market conduct;
- (3) Insurance premium taxes;
- (4) Insurance contracts;
- (5) Accident and health insurance;
- (6) Unfair methods of competition;
- (7) Captive insurance companies;
- (8) Mental health and alcohol and drug abuse treatment insurance benefits;



- (9) Hawaii hurricane relief fund;
- (10) Prescription drug benefits;
- (11) Mutual benefit societies; and
- (12) Health maintenance organizations.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Insurance Division.

Your Committee received written comments on this measure from the Property Casualty Insurers Association of America and the Tax Foundation of Hawaii.

Your Committee finds that this administration measure will update and improve the Insurance Code in a number of different areas.

Your Committee has amended this measure by changing the effective date of most of the measure to July 1, 2050, and the effective date of sections 3 and 4 to January 1, 2051, in order to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2854, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2854, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

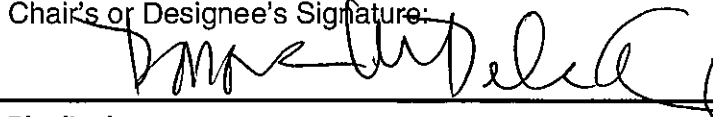


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2854, SD1	CPH, WAM	2/28/12		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood				/
HARIMOTO, Breene	/			
INOUE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.				/
WAKAI, Glenn				/
SLOM, Sam		/		
TOTAL	7	1		3
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