WHEREAS, the State's Insurance Code, codified in Chapter 431, Hawaii Revised Statutes, was originally drafted in 1987 and has not been substantively updated to account for technological innovations, such as the Internet and smart phones; and

WHEREAS, technology and consumer expectations are rapidly transforming the regulated insurance industry; and

WHEREAS, substantial investments in innovative insurance products, services, and technologies hold great promise for improving the mitigation of risks, improving efficiencies, reducing costs of insurance transactions, expediting claims payments, and improving overall customer understanding of, and satisfaction with, this essential form of financial protection; and

WHEREAS, some innovations will disrupt current insurance business models and introduce new and more efficient ways of doing business; and

WHEREAS, by actively engaging with and encouraging the piloting and testing of new and innovative ways of delivering insurance to businesses and consumers, the State will be able to expand insurance markets, particularly by making insurance transactions more accessible for first-time insurance buyers; and

WHEREAS, strict application of uniformly applicable requirements can lead to unintended results when new and innovative technologies, products, and services are first tested
in a closely-regulated marketplace, such as insurance; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2018, that the Insurance Commissioner is requested to convene an insurance modernization working group to explore and propose legislation to update and modernize Hawaii's property and casualty insurance and life insurance laws; and

BE IT FURTHER RESOLVED that the Insurance Commissioner is requested to invite the following to serve as members of the insurance modernization working group:

(1) One representative from each of the five largest property and casualty insurers operating in the State;

(2) One representative from each of the three largest life insurers operating in the State;

(3) One representative from the Hawaii Independent Insurance Agents Association;

(4) One representative from the National Association of Insurance and Financial Advisors; and

(5) One representative from the Hawaii Association for Justice; and

BE IT FURTHER RESOLVED that the insurance modernization working group is requested to submit a written report of its findings, recommendations, and proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019; and
BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Insurance Commissioner, who in turn is requested to provide copies of this Resolution to representatives invited to join the insurance modernization working group.

OFFERED BY: ____________________________

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