MAR 07 2008

SENATE CONCURRENT RESOLUTION

REOUESTING THE LEGISLATIVE REFERENCE BUREAU TO PREPARE LEGISLATION FOR A PROPOSED CONSTITUTIONAL AMENDMENT TO PROHIBIT EXECUTIVES, OFFICERS, AGENTS, OR EMPLOYEES OF INSURERS AND BUSINESS ENTITIES THAT HAVE CASES IN LITIGATION FROM SERVING ON THE HAWAII JUDICIAL SELECTION COMMISSION.

WHEREAS, Article VI, section 4 of the Hawaii State Constitution, establishes the Judicial Selection Commission which is under the Judiciary; and

WHEREAS, section 601-5, Hawaii Revised Statutes, provides that the Judiciary is independent of the other branches of state government; and

WHEREAS, section 601-7, Hawaii Revised Statutes, provides that a judge is prohibited from sitting on any case in which the judge has "more than de minimus pecuniary interest"; and

WHEREAS, executives of insurance companies have served on the Judicial Selection Commission, while cases involving their companies were pending in the state courts; and

WHEREAS, the Chief Justice of the Hawaii Supreme Court recently appointed an insurance company vice president to serve on the Judicial Selection Commission, while cases involving an insured of that insurance company were pending in Hawaii's courts; and

WHEREAS, executives of other insurers are members of the Judicial Selection Commission; and

WHEREAS, a common complaint against health insurers involves prompt payment of claims to insureds, while the insurers pay out low reimbursements; and

21 22

1

2

3 4 5

6 7

8

9

10

11 12

13

14 15

16

17

18

19

20

23 24

25

26 27

28 29 2 3 4

1

WHEREAS, members of the Judicial Selection Commission who are employed by insurance companies pose a serious threat to the independence of the Judiciary by the broad reach of their selection and renewal powers; now, therefore,

5 6

7

8

9

10

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, the House of Representatives concurring, that the Legislative Reference Bureau is requested to prepare proposed legislation to amend the Hawaii State Constitution to prohibit members of the Judicial Selection Commission from:

11 12 13

(1) Having employment with insurance companies; and

14 15

(2) Having other associations to businesses entities that are parties to pending cases in state courts; and

16 17 18

19

20

BE IT FURTHER RESOLVED that the Legislative Reference Bureau submit proposed legislation to the Legislature not later than twenty days prior to the convening of the 2009 Regular Session; and

21 22 23

BE IT FURTHER RESOLVED that a certified copy of this Concurrent Resolution be transmitted to the Director of the Legislative Reference Bureau.

25 26 27

28

24

OFFERED BY: Shranw Clun alland