STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 3 2011

RE: S.B. No. 1273 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1273 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Insurance Commissioner to enforce applicable provisions of the federal law.

Your Committee received testimony in support of this measure from the Insurance Commissioner of the Department of Commerce and Consumer Affairs. Your Committee received testimony in support of the intent of this measure from the Hawaii Medical Service Association.

Your Committee finds that the federal health care reform law, the Patient Protection and Affordable Care Act, includes a regulatory function for the states in exercising oversight of health insurers. Your Committee further finds that, while the Insurance Commissioner holds general authority to regulate the business of insurance in this State, it is a prudent course of action to specifically authorize the Insurance Commissioner to enforce the relevant provisions of the federal law so as to ensure compliance with the federal law and to preserve certainty in the duties of the Insurance Commissioner.

Your Committee has amended this measure by:



STAND. COM. REP. NO.

- Adding a provision to apply to fraternal benefit societies subject to article 2 of chapter 432, Hawaii Revised Statutes; and
- (2) Clarifying that the Insurance Commissioner shall enforce the consumer protection and market regulation provisions of the Patient Protection and Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1273, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1273, S.D. 1, and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H**. B**AKER, Chair



The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee	Referral:	Da	te:	
SB 1273	CPN			2/11	12011
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye 🦯	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
TANIGUCHI, Brian T. (VC)		\checkmark			
GALUTERIA, Brickwood	· .				
GREEN, M.D., Josh		\sim			
NISHIHARA, Clarence K.					
SOLOMON, Malama					
SLOM, Sam					
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	Really Charles and States and				
TOTAL		7	0	0	O^{1}
Recommendation:					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Soldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes