STAND. COM. REP. NO. 518

Honolulu, Hawaii

FEB 2 8 2013

RE: S.B. No. 1337 S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 1337, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH WELLNESS PROGRAMS,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the definitions of "gambling" and "something of value" to clarify that participation in health wellness programs is not considered gambling or lottery participation under the Hawaii Penal Code.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association and The Chamber of Commerce of Hawaii. Testimony in opposition to this measure was submitted by the Department of the Attorney General and Police Department, City and County of Honolulu.

Your Committee finds that preventative health care is important not only for individuals' personal wellbeing, but also for the health care system of the State as a whole. Preventative health care assists health consumers in maintaining good health and helps them avoid debilitating and costly diseases and conditions that might otherwise affect them. Your Committee notes that while these goals are laudable, there have been concerns that such programs run afoul of the State's statutes prohibiting gambling or lotteries. Because wellness programs promote the health of Hawaii's citizens and save the health care system significant sums of money annually, your Committee finds it



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necessary to amend the Hawaii Penal Code to clarify that wellness programs do not constitute gambling or lottery participation.

Your Committee notes the concerns raised by the Department of the Attorney General that this measure is unnecessary and could potentially carve out an excessively broad exception to the State's gambling laws. However, your Committee finds that this measure is necessary to ensure that state gambling and lottery laws do not hinder health wellness programs that encourage healthy behavior.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to clarify that participation in health wellness programs is excluded from the definition of "something of value" only if the wellness program does not constitute gambling, as defined in section 712-1220(4), Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1337, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1337, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

CLAYTON HEE, Chair



The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:* Committe	ommittee Referral: Date: / /			
SB 1337 3D1 HTH,	JDL	2	25/	13
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
HEE, Clayton (C)				
SHIMABUKURO, Maile S.L. (VC)	V			
GABBARD, Mike				
IHARA, Jr., Les			\checkmark	
SLOM, Sam			\checkmark	
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TOTAL	3		2	
Recommendation:				
Adopted 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