STAND. COM. REP. NO. 1794

Honolulu, Hawaii

April 7

, 2017

RE: S.B. No. 885

S.D. 2

H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 885, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE RISK MANAGEMENT AND INSURANCE ADMINISTRATION,"

begs leave to report as follows:

The purpose of this measure is to provide cost-saving options to the State in its procurement of insurance by:

- (1) Permitting the Comptroller to acquire risk management, investigative, claims adjustment, actuarial, and other services on a fixed fee basis; and
- (2) Exempting a broker submitting a proposal in response to such a fixed fee solicitation and the broker's performance of the activities in accordance with the proposal from certain provisions of the Insurance Code.

The Department of Accounting and General Services testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 885, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 885, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date	: 2 21	
SB885, SD2, HD1	CPC, FIN		3-31	-2017
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. CULLEN, Ty J.K. (VC)				
3. CACHOLA, Romy M.		ers e er (14 de t		
4. CHOY, Isaac W.				
5. DeCOITE, Lynn				
6. GATES, Cedric Asuega				
7. HOLT, Daniel			1.33 435.0 1.50.0 \$1	
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LoPRESTI, Matthew S.				
11. LOWEN, Nicole E.				
12. NAKAMURA, Nadine K.				
13. TOKIOKA, James Kunane		Jamas Salas Sa Anna Salas Sal		
14. QUINLAN, Sean				
15. YAMASHITA, Kyle T.				
16. TUPOLA, Andria P.L.				
17. WARD, Gene			Ja	
TOTAL (17)	16	Ø	Ø	/
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				