STAND. COM. REP. NO. 916

Honolulu, Hawaii

MARCH 3, 2017

RE: H.B. No. 917 H.D. 1

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 H.B. No. 917, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to ensure that Hawaii's mutual benefit societies maintain a minimum net worth reflective of actual risk by stipulating that the calculation of a mutual benefit society's net worth be made using annual premium net revenues or net annual health care expenditures, which may be reduced by the amount ceded to reinsurers, provided that the reinsurer is approved by the Insurance Commissioner.

The Department of Commerce and Consumer Affairs opposed this measure. The Reinsurance Association of America and Hawaii Medical Assurance Association provided comments.

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 H.B. No. 917, H.D. 1, and recommends that it pass Third Reading.

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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 Refer			ferral: Date:			1017
HB917, HD1		CPC, FIN			1-10-	- 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.						Ü
4. CHOY, Isaac W.						
5. DeCOITE, Lynn						
6. GATES, Cedric Asuega						
7. HOLT, Daniel						
8. KEOHOKALOLE, Jarrett						
9. KOBAYASHI, Bertrand						
10. LoPRESTI, Matthew S.						
11. LOWEN, Nicole E.						
12. NAKAMURA, Nadine K.						
13. TOKIOKA, James Kunane						
14. QUINLAN, Sean						
15. YAMASHITA, Kyle T.	* . *					
16. TUPOLA, Andria P.L.						
17. WARD, Gene						
TOTAL (17)		14	/		Ø	2
The recommendation is: Adopted Not Adopted						
If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						