

STAND. COM. REP. NO. 1030 -08

Honolulu, Hawaii  
Feb 29, 2008

RE: H.B. No. 2256  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2256, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to specify that it is not an unfair method of competition or an unfair or deceptive act or practice for accident and health or sickness insurers with a market share of less than five percent to enter into agreements that allow the insurer to refuse to issue or renew a policy for a person unless the person contracts for another class of insurance, or an additional policy of the same class of insurance.

The Hawaii Medical Assurance Association testified in support of this bill. The Department of Commerce and Consumer Affairs, Department of the Attorney General, and Hawaii Medical Service Association opposed this measure. State Farm Insurance Companies offered comments.

Your Committee has amended this bill by:

- (1) Requiring the Auditor to perform an analysis of the effects of the provisions contained in this bill and submit a report to the Legislature prior to the convening of the 2010 Regular Session;

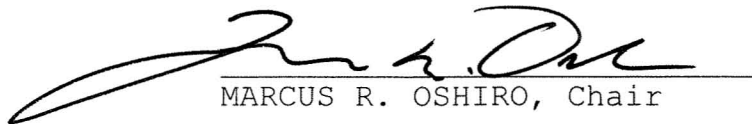
HB2256 HD2 HSCR FIN HMS 2008-2674



- (2) Changing its effective date to July 1, 2008;
- (3) Providing for a sunset date of June 30, 2011; and
- (4) 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 H.B. No. 2256, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2256, H.D. 2.

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

  
MARCUS R. OSHIRO, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

**HSCR 1000**

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> HB 2256	<b>Committee Referral:</b> FIN	<b>Date:</b> 2-26-2008		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. AWANA, Karen Leinani	✓			
4. BELATTI, Della Au	✓			
5. BROWER, Tom	✓			
6. CARROLL, Mele	✓			
7. HANOHANO, Faye P.	✓			
8. HAR, Sharon E.				✓
9. KARAMATSU, Jon Riki	✓			
10. MAGAOAY, Michael Y.	✓			
11. MANAHAN, Joey	✓			
12. MIZUNO, John	✓			
13. NAKASONE, Bob				✓
14. RHOADS, Karl		✓		
15. SAGUM, Roland D., III	✓			
16. TOKIOKA, James Kunane	✓			
17. MEYER, Colleen Rose	✓			
18. PINE, Kymberly Marcos		✓		
19. WARD, Gene, Ph.D.	✓			
<b>TOTAL (19)</b>	15	2	0	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> <u>   Marilyn B. Lee</u>				
<b>Distribution:</b> Original (White) – Committee       Duplicate (Yellow) – Chief Clerk's Office				