

STAND. COM. REP. NO. 3340

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 2224  
H.D. 1  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred  
H.B. No. 2224, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to increase accessibility to  
health insurance for self-employed individuals.

This measure:

- (1) Adds definitions, to be used when applying federal law,  
for "qualifying event" and "self-employed individual";  
and
- (2) Provides that beginning September 1, 2008 and annually  
thereafter, all group health issuers shall offer small  
group health plans to self-employed individuals who  
live, work, or reside in the group health issuer's  
service area and upon specified conditions and  
requirements.

Your Committee received testimony in support of this measure  
from the State Insurance Commissioner, the Hawaii Association of  
Realtors, The Chamber of Commerce of Hawaii, and Kaiser  
Permanente.

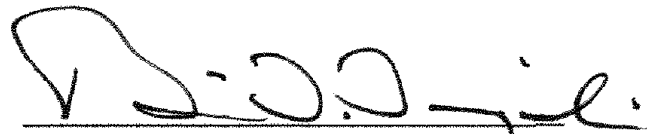


This measure is intended to provide health insurance coverage to self-employed individuals. Sole proprietors are in an unusual situation. According to testimony of the State Insurance Commissioner, if self-employed individuals are incorporated, they can obtain health insurance under existing guaranteed issue requirements. If they are not incorporated, they cannot obtain such a policy. Yet, there is no significant difference in risk associated with the lack of incorporation that should bar the obtaining of health insurance. Therefore, this measure could significantly reduce the number of uninsured in the ranks of an estimated 12,000 sole proprietors.

Your Committee has amended this measure to clarify that the eligible self-employed individual must be "registered" or "licensed" by the Department of Commerce and Consumer Affairs.

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 H.B. No. 2224, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2224, H.D. 1, S.D. 2.

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

  
BRIAN T. TANIGUCHI, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:*	Committee Referral:	Date:
HB 2224 HD1 SD1	HTH/CPH, JDL	3-28-08

The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312     Pass, with amendments 2311     Hold 2310     Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, BRIAN T. (C)	/			
HEE, Clayton (VC)				/
GABBARD, Mike				/
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SLOM, Sam	/			
<b>TOTAL</b>	4			2

Recommendation:  Adopted     Not Adopted

Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes