

STAND. COM. REP. NO.

3619

Honolulu, Hawaii

APR 11 2006

RE: S.C.R. No. 152
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,
to which was referred S.C.R. No. 152 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THAT PUBLIC HOUSING
TENANTS BE EMPOWERED THROUGH PARTICIPATION IN THE DEMOCRATIC
PROCESS,"

begs leave to report as follows:

The purpose of this measure is to request that public housing
tenants be empowered through participation in the democratic
process.

The purpose of this measure, as amended, is to request the
Legislative Reference Bureau to conduct an interim study of the
need for greater regulation of the medical malpractice insurance
industry in Hawaii and to propose needed reforms.

Your Committee received testimony in support of the amended
measure from the Consumer Lawyers of Hawaii. Testimony in
opposition was received from the State Insurance Commissioner.

Your Committee finds that Hawaii is having difficulty
attracting and retaining physicians, particularly those with
specialty practices subject to high medical malpractice insurance
premiums such as obstetrics, gynecology, and trauma care. Many
states are examining the high cost of medical malpractice
insurance and insurers' claims that high premiums are solely
attributable to large damage awards.



According to the *Honolulu Advertiser* in an article on May 9, 2005, rising medical malpractice premiums and fears of lawsuits are taking their toll on the quality of healthcare in Hawaii, particularly in orthopedics and obstetrics, where high costs are driving some doctors to quit. In some parts of the State, hospitals are facing a critical shortage of emergency room orthopedic surgeons who handle trauma cases, such as car crashes. Lawsuits remain the main concern. The situation is particularly acute in rural areas and on the Neighbor Islands, where the rising medical malpractice insurance rates only serve to contribute to the already scarce supply of medical specialists.

This measure calls for a study of the rising cost of medical malpractice insurance in Hawaii to evaluate the need to increase the regulation and transparency of the Hawaii medical malpractice insurance industry and to propose needed reforms. Hawaii cannot afford to ignore this subtle yet pernicious problem that has been manifest and pervasive in other states. Thus, this study is in the interests of promoting the public health and welfare, as well as protection of the public's safety.

Your Committee has amended this measure by deleting its contents and substituting the study by the Legislative Reference Bureau, and adding that the Legislative Reference Bureau confer with the legal community. Your Committee recommends that the Consumer Lawyers of Hawaii be included among those in the legal community to be consulted.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 152, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 152, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Housing,

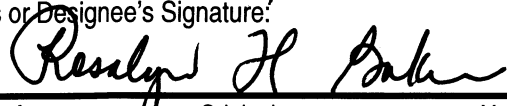


RON MENOR, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Commerce, Consumer Protection and Housing
(Bills and Resolutions)

Measure:* SCR 152	Committee Referral: CPH	Date: 4/10/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
MENOR, Ron (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
ESPERO, Will	✓			
IGE, David Y.				✓
SAKAMOTO, Norman	✓			
HOGUE, Bob				✓
TOTAL	4	—	—	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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				

*Do not list more than one measure per Record of Votes.