

Honolulu, Hawaii

April 27, 2007

RE: S.B. No. 1676
S.D. 2
H.D. 1
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1676, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

Your Committee on Conference finds that this bill is intended to help Hawaii Health Systems Corporation address the rising costs of medical malpractice and hospital liability insurance and the lack of insurers providing sufficient coverage in Hawaii. However, such an undertaking by Hawaii Health Systems Corporation requires oversight by those with appropriate knowledge and experience in financial matters and the insurance industry.

Accordingly, your Committee on Conference has amended this measure by:



- (1) Establishing a ten-member captive insurance board that shall carry out Hawaii Health Systems Corporation's duties and responsibilities relating to the establishment of any captive insurance company pursuant to section 323F-7(a)(20), Hawaii Revised Statutes, and the operation thereof;
- (2) Amending section 323F-3, Hawaii Revised Statutes, to clarify that the Hawaii Health Systems Corporation board shall carry out the duties and responsibilities of the corporation other than those duties and responsibilities relating to the establishment of any captive insurance company pursuant to section 323F-7(a)(20), Hawaii Revised Statutes, and the operation thereof;
- (3) Adding an appropriation for fiscal year 2007-2008;
- (4) Changing the effective date to July 1, 2007; and
- (5) Making further technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1676, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1676, S.D. 2, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



JOSHUA B. GREEN, M.D., Co-Chair



DAVID Y. IGE, Chair



ROBERT N. HERKES, Co-Chair



BRIAN T. TANIGUCHI, Co-Chair



BOB NAKASONE, Co-Chair



ROSALYN H. BAKER, Co-Chair



Hawaii State Legislature

**Record of Votes of a
Conference Committee**

Bill / Concurrent Resolution No.: SB 1676, SD 2, HD 1	Date/Time: 4/27/07 11:15 AM
---	---------------------------------------

The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
IGE, David Y., Chr.	✓				GREEN, Josh, M.D., Co-Chr.	✓			
TANIGUCHI, Brian, Co-Chr.	✓				HERKES, Robert N., Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				NAKASONE, Bob, Co-Chr.	✓			
WHALEN, Paul				✓	MCKELVEY, Angus L.K.	✓			
					MARUMOTO, Barbara C.		✓		
TOTAL	3	-	-	1	TOTAL	4	1	-	-

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is:
 Adopted Not Adopted

House Recommendation is:
 Adopted Not Adopted

Senate Lead Chair's or Designee's Signature:


House Lead Chair's or Designee's Signature:


Distribution: **Original** **Yellow** **Pink** **Goldenrod**
 File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency