
A BILL FOR AN ACT

RELATING TO MUTUAL BENEFIT SOCIETIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. (a) The attorney general shall appoint an
2 independent auditor to conduct a comprehensive financial and
3 operational audit of each domestic mutual benefit society formed
4 under article 1 of chapter 432, Hawaii Revised Statutes, prior
5 to 1950. The audit shall determine the impact of insurance
6 reimbursements on the supply of physicians in the state.

7 (b) The attorney general shall contract the services of an
8 independent certified public accountant, accounting firm, or
9 other appropriate entity for the purposes of conducting the
10 audit.

11 (c) The entity conducting the audit shall submit the
12 findings of the audit to the legislature and the governor upon
13 the completion of the audit not later than twenty days prior to
14 the convening of the regular session of 2011.

15 SECTION 2. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so much
17 thereof as may be necessary for fiscal year 2008-2009 to the



1 attorney general for a comprehensive audit of Hawaii's domestic
2 mutual benefit societies established prior to 1950.

3 The sum appropriated shall be expended by the department of
4 the attorney general for the purposes of this Act.

5 SECTION 3. This Act shall take effect on July 1, 2008.

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INTRODUCED BY:

John Green

John M. Lyons

JAN 18 2008



Report Title:

Mutual Benefit Societies; Audit

Description:

Requires the Attorney General to appoint an independent auditor to conduct a financial and operational audit of mutual benefit societies established in Hawaii prior to 1950.

