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# 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 insurance commissioner shall appoint  
2 an 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 insurance commissioner shall contract the services  
8 of an independent certified public accountant, accounting firm,  
9 or other appropriate entity for the purposes of conducting the  
10 audit.

11           (c) The audit shall be submitted to the legislature and  
12 the governor not later than twenty days prior to the convening  
13 of the regular session of 2011.

14           SECTION 2. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$           or so much  
16 thereof as may be necessary for fiscal year 2008-2009 for a  
17 comprehensive audit of Hawaii's domestic mutual benefit  
18 societies established prior to 1950.



1           The sum appropriated shall be expended by the department of  
2 the commerce and consumer affairs for the purposes of this Act.

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



S.B. NO. 3016  
S.D. 1  
H.D. 1  
PROPOSED

**Report Title:**

Mutual Benefit Societies; Audit

**Description:**

Requires the Insurance Commissioner to appoint an independent auditor to conduct a financial and operational audit of mutual benefit societies established in Hawaii prior to 1950. (PROPOSED SB3016 HD1)

PROPOSED SB3016 HD1 HMS 2008-2856

