

STAND. COM. REP. NO. 95

Honolulu, Hawaii
Feb 6, 2007

RE: H.B. No. 1474
H.D. 1

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

Sir:

Your Committee on Health, to which was referred H.B. No. 1474
entitled:

"A BILL FOR AN ACT RELATING TO TAXATION OF PREMIUMS,"

begs leave to report as follows:

The purpose of this bill is to:

- (1) Ensure a healthy and balanced health care insurance marketplace; and
- (2) Allow equal opportunities for growth and success among insurers

by eliminating the premium tax on health insurers of prepaid health care plan contracts.

Summerlin Life and Health Insurance Company supported this bill. The Department of Commerce and Consumer Affairs supported the intent of this measure. Kaiser Permanente and AlohaCare opposed this bill. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committee has amended this bill by:

- (1) Requiring that an authorized insurer must demonstrate a sufficient level of mutual benefit of public good as is required of a nonprofit insurer; and

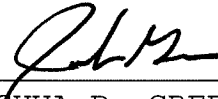
HB1474 HD1 HSCR HLT HMS 2007-1802



- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1474, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1474, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Health,



JOSHUA B. GREEN, M.D., Chair



HSCR 95

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 1474		Date: 2-02-07		
Committee Referral: HLT, CPC, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. GREEN, Josh, M.D. (C)	✓			
2. MIZUNO, John (VC)	✓			
3. BELATTI, Della Au		✓		
4. BERTRAM, Joe, III				✓
5. CABANILLA, Rida T.R.	✓			
6. RHOADS, Karl		✓		
7. SHIMABUKURO, Maile S. L.				✓
8. TAKAI, K. Mark	✓			
9. TOKIOKA, James Kunane	✓			
10. AWANA, Karen Leinani	✓			
11. WARD, Gene, Ph.D.	✓			
TOTAL	7	2		2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature <i>John M. ...</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				