

STAND. COM. REP. NO.

2385

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2597

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committees on Commerce and Consumer Protection and Labor, to which was referred S.B. No. 2597 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYERS' MUTUAL INSURANCE COMPANY,"

beg leave to report as follows:

The purpose of this measure is to ensure the efficient functioning of the Hawaii Employers' Mutual Insurance Company (HEMIC) by facilitating executive succession and ensuring that HEMIC is subject to the same liability standards as all other workers' compensation insurers.

Your Committees received testimony in support of this measure from the State Insurance Commissioner for the Department of Commerce and Consumer Affairs and Hawaii Employers' Mutual Insurance Company. Written testimony presented to the Committees may be reviewed on the Legislature's website.

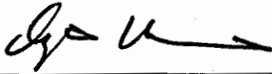
Your Committees find that the provisions of this measure that separate the titles and functions of President and Chief Executive Officer will allow HEMIC to reallocate the duties of its executive management and allow for a smoother transition of executive leadership without creating any new positions. Your Committees further note that allowing members of HEMIC's Board of Directors to serve more than two nonconsecutive terms will allow HEMIC to retain qualified and experienced Board leadership, which will also assist in ensuring continuity of management during executive transitions.



Your Committees find that the provisions of this measure that clarify that HEMIC's legal duty to its members is identical to that of other workers' compensation insurers are necessary to ensure that HEMIC is able to operate on the same terms as other workers' compensation insurers. Your Committees further find that these clarifying provisions may help HEMIC to avoid costly and unnecessary litigation in the future.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2597 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Labor,



DWIGHT Y. TAKAMINE, Chair

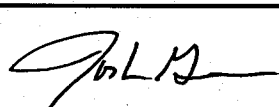


ROSALYN H. BAKER, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 2597	Committee Referral: CPN / LBR	Date: 2/17/16		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman				✓
HEMMINGS, Fred	✓			
TOTAL	4	0	0	3
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				

*Only one measure per Record of Votes

The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Labor
LBR

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2597	CPN/LBR	2-18-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TAKAMINE, Dwight Y. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
BUNDA, Robert				✓
HEE, Clayton				✓
SLOM, Sam	✓			
TOTAL	3	0	0	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				

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