

STAND. COM. REP. NO.

2081

Honolulu, Hawaii

FEB 09 2012

RE: S.B. No. 2321
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 2321 entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a task force to determine the feasibility of establishing a limited, mandatory, public long-term care insurance program.

Your Committee received testimony in support of this measure from ILWU Local 142; the Policy Board for Elder Affairs; and three individuals. Your Committee received testimony in opposition to a portion of this measure from the Department of Commerce and Consumer Affairs because the Department felt there would be a conflict of interest if the Insurance Commissioner chaired the task force and suggested that another entity lead the task force efforts. Your Committee received testimony in opposition to this measure from the National Association of Insurance and Financial Advisors Hawaii and one individual. Your Committee received comments on this measure from AARP.

Your Committee finds that naming the Insurance Commissioner as the chair of the task force may place the Commissioner in a position of conflict. If the task force's recommendation is the creation of a long-term care insurance program that competes with the existing private commercial market, that program, if implemented, will impact the existing private market. As the regulator of the private market, the Commissioner should avoid a



conflict of interest by not taking the lead in the creation of a non-private entity that will enter the regulated market.

Your Committee has amended this measure by:

- (1) Naming the Director of the Executive Office on Aging as the convener and chair of the task force;
- (2) Extending the date by which the Director shall submit the task force's report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014;
- (3) Extending the date on which the task force shall be dissolved to June 30, 2014; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2321, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2321, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,

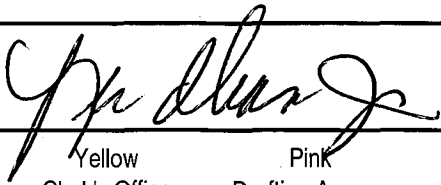


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 2321	Committee Referral: HMS, CPN/WAM	Date: 1-31-12		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
SLOM, Sam				✓
TOTAL	3	0	0	1
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