

STAND. COM. REP. NO. **2366**-16

Honolulu, Hawaii
February 12, 2016

RE: H.B. No. 2365
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Health and Labor & Public Employment, to which was referred H.B. No. 2365 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Preserve the benefits of the Hawaii Prepaid Health Care Act for Hawaii residents;
- (2) Ensure a smooth transition from a state-based marketplace to a state-based marketplace using the federal platform for eligibility and enrollment of individuals and families; and
- (3) Develop a system to allow small businesses to continue to take advantage of tax credits afforded by the Patient Protection and Affordable Care Act (Affordable Care Act).

The Department of Human Services, Department of Labor and Industrial Relations, Office of Enterprise Technology Services, Hawaii Medical Service Association, and ILWU Local 142 testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure.

HB2365 HD1 HSCR HLT-LAB HMS 2016-1810



Should the Committee on Finance deliberate this measure further, your Committees respectfully request that it consider appropriating:

- (1) \$1,165,000 to the Department of Labor and Industrial Relations for fiscal year 2016-2017 for operating expenses, including the hiring of staff, to carry out the purposes of this measure; and
- (2) \$2,918,788 to the Department of Human Services for fiscal year 2016-2017 for operating expenses, including the hiring of staff, to carry out the purposes of this measure.

Your Committees have amended this measure by:

- (1) Clarifying the statutory authority regarding the regulatory jurisdiction of the Insurance Commissioner;
- (2) Making the appropriations in unspecified amounts;
- (3) Changing its effective date to July 1, 2070, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2365, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2365, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committees on Health and Labor
& Public Employment,



MARK M. NAKASHIMA, Chair



DELLA AU BELATTI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 236-16

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2365	Committee Referral: HLT/LAB, CPC, FIN	Date: 2/10/16		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. KEOHOKALOLE, Jarrett (VC)	/			
3. AQUINO, Henry J.C.	/			
4. HAR, Sharon E.				/
5. ICHIYAMA, Linda	/			
6. JOHANSON, Aaron Ling				/
7. LoPRESTI, Matthew S.	/			
8. SAN BUENAVENTURA, Joy A.	/			
9. TAKUMI, Roy M.	/			
10. YAMASHITA, Kyle T.	/			
11. TUPOLA, Andria P.L.	/			
TOTAL (11)	9			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				