

STAND. COM. REP. NO.

916

Honolulu, Hawaii

**MARCH 3**, 2017

RE: H.B. No. 917

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 917, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to ensure that Hawaii's mutual benefit societies maintain a minimum net worth reflective of actual risk by stipulating that the calculation of a mutual benefit society's net worth be made using annual premium net revenues or net annual health care expenditures, which may be reduced by the amount ceded to reinsurers, provided that the reinsurer is approved by the Insurance Commissioner.


The Department of Commerce and Consumer Affairs opposed this measure. The Reinsurance Association of America and Hawaii Medical Assurance Association provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 917, H.D. 1, and recommends that it pass Third Reading.

HB917 HD1 HSCR FIN HMS 2017-2696



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



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SYLVIA LUKE, Chair



