

STAND. COM. REP. NO.

1774

Honolulu, Hawaii

April 7, 2017

RE: S.B. No. 885  
S.D. 2  
H.D. 2

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 S.B. No. 885, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE RISK MANAGEMENT AND INSURANCE ADMINISTRATION,"

begs leave to report as follows:

The purpose of this measure is to provide cost-saving options to the State in its procurement of insurance by:

- (1) Permitting the Comptroller to acquire risk management, investigative, claims adjustment, actuarial, and other services on a fixed fee basis; and
- (2) Exempting a broker submitting a proposal in response to such a fixed fee solicitation and the broker's performance of the activities in accordance with the proposal from certain provisions of the Insurance Code.

The Department of Accounting and General Services testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments.

SB885 HD2 HSCR FIN HMS 2017-3437

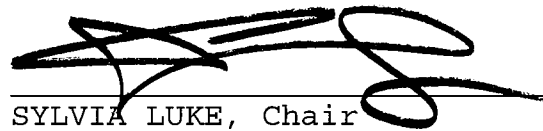


Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 S.B. No. 885, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 885, S.D. 2, H.D. 2.

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



SYLVIA LUKE, Chair



