

ACT 270

H.B. NO. 2726

A Bill for an Act Relating to the Auditor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 23, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§23- Confidentiality. The auditor shall not be required to disclose any working papers. For the purposes of this section, “working papers” means the notes, internal memoranda, and records of work performed by the auditor on audits and other investigations undertaken pursuant to this chapter, including any and all project evidence collected and developed by the auditor.”

SECTION 2. Section 23-51, Hawaii Revised Statutes, is amended to read as follows:

“§23-51 Proposed mandatory health insurance coverage; impact assessment report. Before any legislative measure that mandates health insurance coverage for specific health services, specific diseases, or [for] certain providers of health care services as part of individual or group health insurance policies, can be considered, there shall be concurrent resolutions passed requesting the [legislative] auditor to prepare and submit to the legislature a report that assesses both the social and financial effects of the proposed mandated coverage. The concurrent resolutions shall designate a specific legislative bill that:

- (1) Has been introduced in the legislature; and
- (2) Includes, at a minimum, information identifying the:
 - (A) Specific health service, disease, or provider that would be covered;
 - (B) Extent of the coverage;
 - (C) Target groups that would be covered;
 - (D) Limits on utilization, if any; and
 - (E) Standards of care.

For purposes of this part, mandated health insurance coverage shall not include mandated optionals.”

SECTION 3. Section 26H-6, Hawaii Revised Statutes, is amended to read as follows:

“§26H-6 New regulatory measures. New regulatory measures being considered for enactment [which] that, if enacted, would subject unregulated professions and vocations to licensing or other regulatory controls shall be referred to the

[legislative] auditor for analysis. Referral shall be by concurrent resolution that identifies a specific legislative bill to be analyzed. The analysis required by this section shall set forth the probable effects of the proposed regulatory measure and assess whether its enactment is consistent with the policies set forth in section 26H-2. The analysis also shall [also] assess alternative forms of regulation. The [legislative] auditor shall submit each report of analysis to the legislature.”

SECTION 4. Section 28-8.3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) No department of the State other than the attorney general may employ or retain any attorney, by contract or otherwise, for the purpose of representing the State or the department in any litigation, rendering legal counsel to the department, or drafting legal documents for the department; provided that the foregoing provision shall not apply to the employment or retention of attorneys:

- (1) By the public utilities commission, the labor and industrial relations appeals board, and the Hawaii labor relations board;
- (2) By any court or judicial or legislative office of the State;
- (3) By the legislative reference bureau;
- (4) By any compilation commission that may be constituted from time to time;
- (5) By the real estate commission for any action involving the real estate recovery fund;
- (6) By the contractors license board for any action involving the contractors recovery fund;
- (7) By the trustees for any action involving the travel agency recovery fund;
- (8) By the office of Hawaiian affairs;
- (9) By the department of commerce and consumer affairs for the enforcement of violations of chapters 480 and 485;
- (10) As grand jury counsel;
- (11) By the Hawaiian home lands trust individual claims review panel; [or]
- (12) By the auditor; or
- [(12)] (13) By a department, in the event the attorney general, for reasons deemed by the attorney general good and sufficient, declines to employ or retain an attorney for a department; provided that the governor thereupon waives the provision of this section.”

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval.

(Approved June 18, 1996.)

Note

1. Edited pursuant to HRS §23G-16.5.