

STAND. COM. REP. NO. 227 -06

Honolulu, Hawaii

Feb 10, 2006

RE: H.B. No. 2950

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2950 entitled:

"A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES'
BENEFICIARY ASSOCIATION TRUSTS,"

begs leave to report as follows:

The purpose of this bill is to clarify the purpose of the Voluntary Employees' Beneficiary Association (VEBA) Trust pilot program under Act 245, Session Laws of Hawaii 2005 (Act 245).

The Hawaii State Teachers Association, United Public Workers, and Hawaii Government Employees Association testified in support of this bill.

Your Committee finds that Act 245 established a VEBA Trust pilot program. However, the purpose and findings section of Act 245 makes reference to the provision of health benefits to "a particular bargaining unit." This ambiguity has caused confusion among various bargaining units in the state as to whether they are eligible to participate in this pilot program. This measure clarifies that a VEBA trust may be established by an employee organization to provide benefits for state and county employees the employee organization represents.

HB2950 HSCR LAB HMS 2006-1871



As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2950 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,


KIRK CALDWELL, Chair



