

Honolulu, Hawaii

March 24, 2006

RE: S.B. No. 2272

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 S.B. No. 2272 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION  
HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose of this bill is to improve the administrative efficiency of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) by requiring employee-beneficiaries and spouses of employee-beneficiaries who become entitled to reimbursement from the EUTF for Medicare Part B premiums after July 1, 2006, to designate a financial account into which the EUTF is authorized to deposit reimbursements.

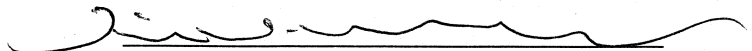
The Department of Budget and Finance, Hawaii State Teachers Association, and the Board of Trustees of the EUTF supported this bill.

Your Committee notes that EUTF is able to use direct deposits to handle financial transactions. According to testimony submitted by the EUTF Administrator, direct deposits of Medicare Part B reimbursements are already projected to decrease the operating costs of EUTF by about \$30,000 annually, due to savings in postage and mailing. By requiring direct deposits for future retirees, this bill will result in even more cost savings to public employers, including the State.



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 S.B. No. 2272 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



**Record of Votes of the Committee on Labor & Public Employment**

<b>Bill/Resolution No.:</b> <p style="text-align: center;">SB 2272</p>	<b>Date:</b> <p style="text-align: center; font-size: 1.2em;">3-17-06</p>			
<b>Committee Referral:</b> <p style="text-align: center;">LAB, FIN</p>	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
<b>The recommendation is to:</b> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Pass, unamended  <input type="checkbox"/> Hold         </div> <div style="width: 45%;"> <input type="checkbox"/> Pass, with amendments  <input type="checkbox"/> Recommit         </div> </div>				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. CALDWELL, Kirk (C)	✓			
2. NAKASONE, Bob (VC)	✓			
3. CHONG, Pono	✓			
4. ITO, Ken	✓			
5. OSHIRO, Marcus R.	✓			
6. SHIMABUKURO, Maile S. L.				✓
7. SOUKI, Joseph M.	✓			
8. MEYER, Colleen Rose				✓
9. STEVENS, Anne V.	✓			
<b>TOTAL</b>	7			2
<b>The recommendation is:</b> <div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Adopted  <input type="checkbox"/> Not Adopted         </div> <div style="width: 45%;">           If joint referral, _____ did not support recommendation.  <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div> </div> </div> <div style="margin-top: 10px; text-align: center;"> </div>				
<b>Vice Chair's or designee's signature:</b>  				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Clerk's Office				