

STAND. COM. REP. NO.

2947

Honolulu, Hawaii

MAR 16 2006

RE: H.B. No. 2309

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Labor, to which was referred H.B. No. 2309
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 measure is to require a retired
individual who receives reimbursements from the Hawaii employer-
union health benefits trust fund (EUTF) for Medicare part B
premiums to designate an institution of the individual's choice
for direct deposit of the reimbursements beginning July 1, 2006.

This measure also amends existing statutory language for
purposes of clarity.

Testimony in support of this measure was submitted by the
Department of Budget and Finance, the Hawaii EUTF, and the Hawaii
State Teachers Association.

Your Committee finds that advancements in technology enable
the EUTF to provide retired employee-beneficiaries and their
spouses with the convenience and benefits of direct electronic
deposit of Medicare part B reimbursements into the retired
employee-beneficiaries' or spouses' bank accounts. Your Committee
further finds that, currently, retired employee-beneficiaries
benefit from the employees' retirement system's similar authority
to pay retirement benefits to members through direct deposits.
The EUTF has already projected that the implementation of this
measure will provide annual savings in the amount of approximately

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\$30,000 in postage and mailing materials alone. Accordingly, your Committee determines that requiring direct deposit for the reimbursement of Medicare part B premiums will be instrumental in reducing postage costs, reducing the cost of handling paper checks, diminishing the potential for lost or stolen paper checks, and providing added convenience through the elimination of the physical deposit of paper checks.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2309, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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



BRIAN KANNO, Chair



**The Senate
Twenty-Third Legislature
State of Hawaii**

**Record of Votes of the
Committee on Labor
(Bills and Resolutions)**

Measure:* HB 2309	Committee Referral: LBR, NAM	Date: 3-13-06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (2312) <input type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
KANNO, Brian (C)	✓			
IHARA, Jr., Les (VC)				✓
TANIGUCHI, Brian T.	✓			
SLOM, Sam	✓			
TOTAL	3			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.