

STAND. COM. REP. NO.

503

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 1294

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1294 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 allow the Board of Trustees of the Employer-Union Health Benefits Trust Fund (EUTF) to better manage the EUTF by providing an appropriate, cost-neutral adjustment of the base monthly contributions for retiree benefit plans, in the event the EUTF Board of Trustees adopts a revised rate structure for its retiree benefit plans.

EUTF and Department of Budget and Finance testified in support of this bill.

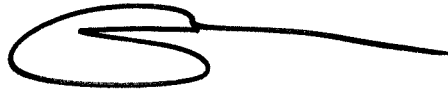
Your Committee finds that allowing the public employers' base monthly contributions to be adjusted to reflect pending or future changes in the retiree rate structure will eliminate the potential for confusion and the overpayment or underpayment of premiums that might occur under the current system whenever the Board of Trustees of the EUTF amends the rate structure of its retiree health benefits plan.

HB1294 HSCR LAB HMS 2007-2251



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. 1294 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,



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ALEX M. SONSON, Chair



