

Honolulu, Hawaii

Aj 04 , 2008

RE: S.B. No. 2262
S.D. 1
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2262, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to ensure the continuous provision of health benefits for teachers belonging to bargaining unit (5), as well as future retirees of that bargaining unit, and existing retirees who participate in the Voluntary Employees' Beneficiary Association (VEBA) Trust by:

- (1) Providing any retiree who, prior to July 1, 2008, declined the option to transfer from participation in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) to VEBA, a final one-time option to transfer participation; and
- (2) Making VEBA a permanent program through the repeal of its sunset date of July 1, 2009.

The Hawaii State Teachers Association (HSTA), HSTA - Retired Oahu District, and several concerned individuals supported this bill. The Department of Budget and Finance, Department of Human Resources Development, Administrator of the Hawaii Employer-Union Health Benefits Trust Fund, and a concerned individual opposed this measure. The Department of the Attorney General, Hawaii

SB2262 HD2 HSCR FIN HMS 2008-3571



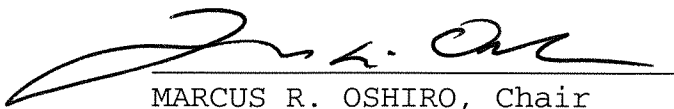
Government Employees Association, and HSTA - Member Benefits Corporation submitted comments.

Your Committee has amended this bill by:

- (1) Reinstating the sunset date and extending it by one year to July 1, 2010;
- (2) Changing its effective date to July 1, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2262, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2262, S.D. 1, H.D. 2.

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


MARCUS R. OSHIRO, Chair



