

STAND. COM. REP. NO. 145

Honolulu, Hawaii

Feb 10, 2009

RE: H.B. No. 850
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 850 entitled:

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

begs leave to report as follows:

The purpose of this bill is to change the membership of the Board of Trustees of the Employer-Union Health Benefits Trust Fund (Board) to more adequately reflect the employers associated with the Employer-Union Health Benefits Trust Fund (EUTF) by requiring four of the five seats on the Board allocated to public employers to be occupied by the directors of finance of the City and County of Honolulu and the counties of Maui, Hawaii, and Kauai.

The Mayor of the County of Hawaii, Hawaii Council of Mayors, Director of Finance for the County of Kauai, Director of Finance for the County of Maui, and the Hawaii Government Employees Association testified in support of this bill. The Department of Budget and Finance, Department of Human Resources Development, and two concerned individuals testified in opposition to this measure.

Although the current representation on the Board is established in such a way to ensure that a balance exists between members representing the interests of both public employers and employees, current Board membership lacks county representation. As counties contribute a considerable share to EUTF costs and their employees and retirees are members of the EUTF, it seems

HB850 HD1 HSCR LAB HMS 2009-1752



only fair that some form of county representation be established on the Board.

However, while your Committee agrees that the membership of the Board should be adjusted to provide for greater county representation, the requirement that four of the five employer representatives of the Board represent county interests heavily weighs the Board in favor of the counties. Accordingly, your Committee has amended this measure by:

- (1) Deleting language requiring that four of the five seats on the Board allocated to public employers be occupied by the county directors of finance; and
- (2) Inserting language requiring that one of the five seats on the Board allocated to public employers be occupied by a member appointed by the Hawaii Council of Mayors to represent the counties' interest.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

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. 850, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 850, H.D. 1, and be referred to the Committee on Finance.

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



KARL RHOADS, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 850	Committee Referral: LAB, FIN	Date: 2-3-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. AWANA, Karen Leinani	/			
5. HANOHANO, Faye P.	/			
6. KEITH-AGARAN, Gilbert S.C.	/			
7. LEE, Marilyn B.	/			
8. NAKASHIMA, Mark M.	/			
9. SAIKI, Scott K.		/		
10. SOUKI, Joseph M.	/			
11. TAKUMI, Roy M.	/			
12. PINE, Kymerly Marcos	/			
TOTAL (12)	11	1		
The recommendation is: <input type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
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