

JAN 20 2010

A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND BOARD OF TRUSTEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to add a trustee to
2 the board of trustees of the employer-union health benefits
3 trust fund to represent the interests of the counties.

4 According to the State of Hawaii 2008 Data Book there were
5 74,300 state workers and 18,550 county workers. For fiscal year
6 2007-2008, the total amount contributed to the employer-union
7 health benefits trust fund for health benefit plans was
8 \$551,754,581; of this amount \$307,468,074 came from the State,
9 \$128,636,434 came from the counties and county water supply
10 agencies, and \$115,650,073 was contributed by employees. Of the
11 total employer-union health benefits trust fund board
12 membership, there are five employer trustees on the board who
13 are currently state administration employees, and current law
14 does not include a provision for county representation. As
15 employers, the counties pay a substantial amount into the
16 employer-union health benefits trust fund and should have some
17 say on the board of trustees. Recently, decisions have been



1 made that affect the counties, including the decision to change
2 the prescription drug program, and have caught members by
3 surprise. Adding a trustee to the employer-union health
4 benefits trust fund to represent the counties will ensure
5 members are better informed of changes to the programs and
6 decisions are made that will take county interests into
7 consideration.

8 SECTION 2. Section 87A-5, Hawaii Revised Statutes, is
9 amended to read as follows:

10 **§87A-5 Composition of board.** The board of trustees of the
11 employer-union health benefits trust fund shall consist of [~~ten~~]
12 eleven trustees appointed by the governor in accordance with the
13 following procedure:

14 (1) Five trustees, one of whom shall represent retirees,
15 to represent employee-beneficiaries and to be selected
16 as follows:

17 (A) Three trustees shall be appointed from a list of
18 two nominees per trustee selected by each of the
19 three exclusive representative organizations that
20 have the largest number of employee-
21 beneficiaries;



1 (B) One trustee shall be appointed from a list of two
2 nominees selected by mutual agreement of the
3 remaining exclusive employee representative
4 organizations; and

5 (C) One trustee representing retirees shall be
6 appointed from a list of two nominees selected by
7 mutual agreement of all eligible exclusive
8 representatives; [~~and~~]

9 (2) Five trustees to represent public employers[-]; and

10 (3) One trustee to represent county public employers, to
11 be appointed from a list of two nominees selected by
12 the Hawaii State Association of Counties or, if that
13 association shall cease to exist, by a successor
14 organization composed of the members of the
15 councils of all Hawaii counties excluding the county
16 of Kalawao.

17 Section 26-34 shall not apply to board member selection and
18 terms. Notwithstanding any other provision of this section, no
19 exclusive representative of a bargaining unit that sponsors or
20 participates in a voluntary employee beneficiary association
21 shall be eligible to select nominees or to be represented by a
22 trustee on the board.



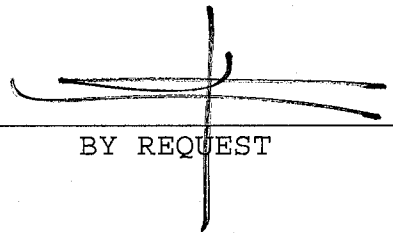
1 As used in this section, the term "exclusive
2 representative" shall have the same meaning as in section 89-2."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

INTRODUCED BY: _____


BY REQUEST



Report Title:

EUTF; Board of Trustees

Description:

Adds an eleventh trustee to the board of trustees of the EUTF to represent county public employers.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

