

---

# A BILL FOR AN ACT

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

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

1           SECTION 1. Chapter 37, Hawaii Revised Statutes, is amended  
2 by adding a new part to be appropriately designated and to read  
3 as follows:

4                   **"PART       .   HAWAII EMPLOYER-UNION HEALTH**

5                               **BENEFITS TRUST FUND APPROPRIATION**

6           **§37-       Restriction on Hawaii employer-union health**  
7 **benefits trust fund appropriations.** All moneys appropriated by  
8 the legislature that are designated as contributions to the  
9 Hawaii employer-union health benefits trust fund to pay trust  
10 fund benefits shall be transferred directly to the Hawaii  
11 employer-union health benefits trust fund and not be subject to  
12 the allotment procedures under chapter 37 or subject to the  
13 powers granted to the governor and the director of finance under  
14 sections 37-32 through 37-41."

15           SECTION 2. Section 87A-11, Hawaii Revised Statutes, is  
16 amended to read as follows:



1           "~~[+]§87A-11[+]~~ **Quorum; board actions; voting.** (a) Six  
2 trustees, three of whom represent the public employer and three  
3 of whom represent employee-beneficiaries, shall constitute a  
4 quorum for the transaction of business.

5           (b) ~~[Trustees representing the public employers shall~~  
6 ~~collectively have one vote. Trustees representing the employee-~~  
7 ~~beneficiaries shall collectively have one vote.~~

8           ~~For any vote of the trustees representing the public~~  
9 ~~employers to be valid, three of these trustees must concur to~~  
10 ~~cast such a vote. In the absence of such concurrence, the~~  
11 ~~trustees representing the public employers shall be deemed to~~  
12 ~~have abstained from voting.~~

13           ~~For any vote of the trustees representing the employee-~~  
14 ~~beneficiaries to be valid, three of these trustees must concur~~  
15 ~~to cast such a vote. In the absence of such concurrence, the~~  
16 ~~trustees representing the employee beneficiaries shall be deemed~~  
17 ~~to have abstained from voting.] Each trustee of the board shall~~  
18 ~~have one vote for matters concerning board actions.~~

19           An abstention shall not be counted as either a vote in  
20 favor or against a matter before the board.

21           (c) Any action taken by the board shall be by the  
22 concurrence of at least ~~[two]~~ six votes. In the event of a tie



1 vote on any motion, the motion shall fail. Upon the concurrence  
2 of six trustees, the board shall participate in dispute  
3 resolution."

4 SECTION 3. Section 87A-30, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 **"§87A-30 Hawaii employer-union health benefits trust fund;**  
7 **establishment.** There is established outside the state treasury,  
8 a trust fund to be known as the "Hawaii Employer-Union Health  
9 Benefits Trust Fund". The fund shall consist of contributions,  
10 interest, income, dividends, refunds, rate credits, and other  
11 returns. It is hereby declared that any and all sums  
12 contributed or paid from any source to the fund created by this  
13 part, and all assets of the fund including any and all interest  
14 [and], earnings, or surplus on the same, are and shall be held  
15 in trust by the board for the exclusive use and benefit of the  
16 employee-beneficiaries and dependent-beneficiaries and shall not  
17 be subject to appropriation or transfer for any other purpose  
18 whatsoever. The fund shall be under the control of the board  
19 and placed under the department of budget and finance for  
20 administrative purposes."

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



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

2



**Report Title:**

Hawaii EUTF; Allotment; Trust Fund Benefits; Trustee; Vote

**Description:**

Restricts all appropriations by the legislature for contributions to the Hawaii employer-union health benefits trust fund from being subject to the allotment procedures under chapter 37 or the powers of the governor and director of finance under sections 37-32 through 37-41; provides each of the six trustees of the Hawaii employer-union health benefits trust fund with one vote; requires any action by the board to receive at least six votes from the trustees; clarifies that funds designated to pay trust fund benefits shall not be transferred.  
(CD1)

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

