
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 PART I

2 SECTION 1. Chapter 87A, Hawaii Revised Statutes, is
3 amended by adding three new sections to be appropriately
4 designated and to read as follows:

5 "§87A- Selection of benefit plan carriers, third-party
6 administrators, consultants, actuaries, auditors, or
7 administrator. Procurement of a carrier, a third-party
8 administrator for any benefits plan, consultants, actuaries,
9 auditors, or an administrator shall be exempt from chapter 103D.

10 §87A- Fiduciary duties; prohibited transactions. (a) A
11 fiduciary of the trust shall comply, with respect to a plan,
12 with all fiduciary duties imposed on fiduciaries under Title 29
13 United States Code Sections 1001-1191c, as amended, and related
14 regulations.

15 (b) All fiduciaries of the trust shall discharge their
16 duties with respect to a plan solely in the interest of the
17 participants and beneficiaries and:



- 1 (1) For the exclusive purpose of:
- 2 (A) Providing benefits to participants and their
3 beneficiaries; and
- 4 (B) Defraying reasonable expenses of administering
5 the plan; and
- 6 (2) With the care, skill, prudence, and diligence under
7 the circumstances then prevailing that a prudent
8 person acting in a similar capacity and familiar with
9 those matters would use in the conduct of an
10 enterprise of a similar character and with like aims;
- 11 (3) By diversifying the investments of the plan so as to
12 minimize the risk of large losses, unless, under the
13 circumstances, it is clearly prudent not to do so; and
- 14 (4) In accordance with the documents and instruments
15 governing the plan insofar as those documents and
16 instruments are consistent with this chapter.
- 17 (c) In addition to any liability that a fiduciary may have
18 under this chapter, a fiduciary with respect to a plan shall be
19 liable for a breach of fiduciary responsibility of another
20 fiduciary with respect to the same plan in the following
21 circumstances:



1 (1) If the fiduciary participates knowingly in, or
2 knowingly undertakes to conceal, an act or omission of
3 another fiduciary, knowing that act or omission is a
4 breach;

5 (2) If, by the fiduciary's failure to comply with
6 subsection (a) or (b), the fiduciary has enabled
7 another fiduciary to commit a breach; or

8 (3) If the fiduciary has knowledge of the breach by
9 another fiduciary, unless the fiduciary makes
10 reasonable efforts under the circumstances to remedy
11 the breach.

12 If the assets of the plan are held by two or more trustees,
13 each trustee shall use reasonable care to prevent a co-trustee
14 from committing a breach, and each trustee shall be responsible
15 for jointly managing and controlling the assets of the plan.

16 (d) A fiduciary shall not cause a plan to engage in a
17 transaction, if the fiduciary knows or should know that the
18 transaction constitutes a direct or indirect:

19 (1) Sale or exchange, or lease, of any property between
20 the plan and a party in interest;

21 (2) Lending of money or other extension of credit between
22 the plan and a party in interest;



1 (3) Furnishing of goods, services, or facilities between
2 the plan and a party in interest; or

3 (4) Transfer to, or use by or for the benefit of, a party
4 in interest, of any assets of the plan.

5 (e) A fiduciary shall not:

6 (1) Deal with the assets of the plan in the fiduciary's
7 own interest or for the fiduciary's own account;

8 (2) In the fiduciary's individual capacity or in any other
9 capacity, act in any transaction involving the plan on
10 behalf of a party (or represent a party) whose
11 interests are adverse to the interests of the plan or
12 the interests of its participants or beneficiaries; or

13 (3) Receive any consideration for the fiduciary's own
14 personal account from any party dealing with the plan
15 in connection with a transaction involving the assets
16 of the plan.

17 **§87A- Liability for breach of fiduciary duty.** (a) Any
18 person who is a fiduciary with respect to a plan and who
19 breaches any of the responsibilities, obligations, or duties
20 imposed on fiduciaries by this chapter shall be personally
21 liable to reimburse any losses to the plan resulting from each
22 breach, and to restore to the plan any profits of the fiduciary



1 that have been made through the use of assets of the plan by the
2 fiduciary, and shall be subject to any other equitable and
3 remedial relief as the court may deem appropriate, including
4 removal of the fiduciary.

5 (b) Any provision in any agreement or instrument that
6 purports to relieve a fiduciary of responsibility or liability
7 for any responsibility, obligation, or duty under this chapter
8 shall be void as against public policy. However, nothing in
9 this section shall preclude:

10 (1) A plan from purchasing insurance for its fiduciaries
11 or for itself to cover liability or losses occurring
12 by reason of the act or omission of a fiduciary in the
13 case of a breach of a fiduciary obligation by the
14 fiduciary, if the insurance permits recourse by the
15 insurer against the fiduciary in the case of a breach
16 of fiduciary obligation by the fiduciary;

17 (2) A fiduciary from purchasing insurance to cover
18 liability under this chapter from and for the
19 fiduciary's own account; or

20 (3) An employee organization from purchasing insurance to
21 cover potential liability of one or more persons who



1 serve in a fiduciary capacity with regard to an
2 employee welfare benefit plan."

3 SECTION 2. Section 28-8.3, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) No department of the State other than the attorney
6 general may employ or retain any attorney, by contract or
7 otherwise, for the purpose of representing the State or the
8 department in any litigation, rendering legal counsel to the
9 department, or drafting legal documents for the department;
10 provided that the foregoing provision shall not apply to the
11 employment or retention of attorneys:

12 (1) By the public utilities commission, the labor and
13 industrial relations appeals board, and the Hawaii
14 labor relations board;

15 (2) By any court or judicial or legislative office of the
16 State; provided that if the attorney general is
17 requested to provide representation to a court or
18 judicial office by the chief justice or the chief
19 justice's designee, or to a legislative office by the
20 speaker of the house of representatives and the
21 president of the senate jointly, and the attorney
22 general declines to provide such representation on the

- 1 grounds of conflict of interest, the attorney general
2 shall retain an attorney for the court, judicial, or
3 legislative office, subject to approval by the court,
4 judicial, or legislative office;
- 5 (3) By the legislative reference bureau;
- 6 (4) By any compilation commission that may be constituted
7 from time to time;
- 8 (5) By the real estate commission for any action involving
9 the real estate recovery fund;
- 10 (6) By the contractors license board for any action
11 involving the contractors recovery fund;
- 12 (7) By the trustees for any action involving the travel
13 agency recovery fund;
- 14 (8) By the office of Hawaiian affairs;
- 15 (9) By the department of commerce and consumer affairs for
16 the enforcement of violations of chapters 480 and
17 485A;
- 18 (10) As grand jury counsel;
- 19 (11) By the Hawaiian home lands trust individual claims
20 review panel;
- 21 (12) By the Hawaii health systems corporation, or its
22 regional system boards, or any of their facilities;



- 1 (13) By the auditor;
- 2 (14) By the office of ombudsman;
- 3 (15) By the insurance division;
- 4 (16) By the University of Hawaii;
- 5 (17) By the Kahoolawe island reserve commission;
- 6 (18) By the division of consumer advocacy;
- 7 (19) By the office of elections;
- 8 (20) By the campaign spending commission;
- 9 (21) By the Hawaii tourism authority, as provided in
- 10 section 201B-2.5; [øæ]
- 11 (22) By the Hawaii employer-union health benefits trust
- 12 fund, as provided in section 87A-9; or
- 13 ~~[(22)]~~ (23) By a department, in the event the attorney
- 14 general, for reasons deemed by the attorney general
- 15 good and sufficient, declines to employ or retain an
- 16 attorney for a department; provided that the governor
- 17 thereupon waives the provision of this section."

18 SECTION 3. Section 87A-5, Hawaii Revised Statutes, is

19 amended to read as follows:

20 "**§87A-5 Composition of board.** (a) The board of trustees

21 of the employer-union health benefits trust fund shall consist



1 of [~~ten~~] twelve trustees appointed by the governor in accordance
2 with the following procedure:

3 (1) [~~Five~~] Six trustees [~~, one of whom shall represent~~
4 ~~retirees,~~] to represent employee-beneficiaries and to
5 be selected as follows:

6 [~~(A) Three trustees shall be appointed from a list of~~
7 ~~two nominees per trustee selected by each of the~~
8 ~~three exclusive representative organizations that~~
9 ~~have the largest number of employee-~~
10 ~~beneficiaries;~~

11 [~~(B) One trustee shall be appointed from a list of two~~
12 ~~nominees selected by mutual agreement of the~~
13 ~~remaining exclusive employee representative~~
14 ~~organizations; and~~

15 [~~(C) One trustee representing retirees shall be~~
16 ~~appointed from a list of two nominees selected by~~
17 ~~mutual agreement of all eligible exclusive~~
18 ~~representatives; and~~

19 [~~(2) Five trustees to represent public employers.]~~

20 (A) One trustee to be appointed by the governor from
21 a nominee submitted by bargaining units 2, 3, 4,
22 6, 8, 9, and 13;



- 1 (B) One trustee to be appointed by the governor from
- 2 a nominee submitted by bargaining unit 5;
- 3 (C) One trustee to be appointed by the governor from
- 4 a nominee submitted by bargaining unit 7;
- 5 (D) One trustee to be appointed by the governor from
- 6 a nominee submitted by bargaining units 1 and 10;
- 7 (E) One trustee to be appointed by the governor from
- 8 a nominee submitted by bargaining unit 11; and
- 9 (F) One trustee to be appointed by the governor from
- 10 a nominee submitted by bargaining unit 12; and
- 11 (2) Six trustees, five to represent public employers and
- 12 one to represent retiree beneficiaries, as follows:
- 13 (A) One trustee shall be appointed by the governor to
- 14 represent the State of Hawaii administration;
- 15 (B) One trustee shall be appointed by the governor
- 16 from a nominee submitted by the University of
- 17 Hawaii board of regents;
- 18 (C) One trustee shall be appointed by the governor
- 19 from a nominee submitted by the board of
- 20 education;
- 21 (D) Two trustees shall be appointed by the governor
- 22 from a list of four nominees submitted by the



1 mayors of the counties of Hawaii, Kauai, and
2 Maui, and the city and county of Honolulu, which
3 list shall consist of one nominee selected by
4 each of those counties; provided that the two
5 nominees not appointed by the governor shall
6 serve as alternate trustees to sit in the absence
7 of the trustees appointed by the governor; and
8 (E) One trustee shall be appointed by the governor to
9 represent retiree beneficiaries;
10 provided that all trustees shall serve at the pleasure of the
11 appointing authority.

12 (b) If an exclusive bargaining representative negotiates a
13 specific contribution to apply to only that bargaining unit,
14 that unit shall have a sub-board of trustees to administer that
15 exclusive bargaining unit's contributions and benefits. The
16 benefits for the bargaining unit, including the type and level,
17 shall be determined by the sub-board of trustees or established
18 pursuant to the collective bargaining agreement. There shall be
19 two trustees appointed by the employer and two trustees
20 appointed by the exclusive bargaining representative to the sub-
21 board.



1 (c) Section 26-34 shall not apply to board member
2 selection and terms. Notwithstanding any other provision of
3 this section, no exclusive representative of a bargaining unit
4 that sponsors or participates in a voluntary employee
5 beneficiary association shall be eligible to select nominees or
6 to be represented by a trustee on the board.

7 (d) As used in this section, the term "exclusive
8 representative" shall have the same meaning as in section 89-2."

9 SECTION 4. Section 87A-6, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "~~§87A-6 Term of a trustee; vacancy. [The term of office~~
12 ~~of each trustee shall be four years; provided that a trustee may~~
13 ~~be reappointed for one additional consecutive four year term.~~

14 ~~A vacancy on the board shall be filled in the same manner~~
15 ~~as the trustee who vacated that position was nominated or~~
16 ~~appointed; provided that the criteria used for nominating or~~
17 ~~appointing the successor shall be the same criteria used for~~
18 ~~nominating or appointing the person's predecessor; provided~~
19 ~~further that vacancies on the board for each trustee position~~
20 ~~representing retirees and employee beneficiaries appointed under~~
21 ~~section 87A 5(1)(A) and (B) shall be filled by appointment of~~
22 ~~the governor as follows:~~



- 1 ~~(1) If a vacancy occurs in one of the trustee positions~~
2 ~~described in section 87A-5(1)(A), then the vacancy~~
3 ~~shall be appointed from a list of two nominees~~
4 ~~submitted by the exclusive employee representative~~
5 ~~from among the three largest exclusive employee~~
6 ~~representatives that does not have a trustee among the~~
7 ~~three trustee positions;~~
- 8 ~~(2) If a vacancy occurs in a trustee position described in~~
9 ~~section 87A-5(1)(B), then the vacancy shall be~~
10 ~~appointed from a list of two nominees submitted by~~
11 ~~mutual agreement of the exclusive employee~~
12 ~~representatives described in section 87A-5(1)(B); and~~
- 13 ~~(3) If a vacancy occurs in the retiree position described~~
14 ~~in section 87A-5(1)(C), then the vacancy shall be~~
15 ~~appointed from a list of two nominees submitted by~~
16 ~~mutual agreement of all eligible exclusive employee~~
17 ~~representatives.~~

18 ~~If by the end of a trustee's term the trustee is not~~
19 ~~reappointed or the trustee's successor is not appointed, the~~
20 ~~trustee shall serve until the trustee's successor is appointed.]~~
21 The term of office of each trustee shall be at the pleasure of
22 the appointing authority. If the appointing authority fails to



1 appoint an employer trustee to fill a vacant position, the chief
2 justice of the supreme court of Hawaii shall make the
3 appointment upon petition by two or more employee beneficiary
4 trustees. If the appointing authority fails to appoint an
5 employee beneficiary trustee to fill a vacant position, the
6 chief justice of the supreme court of Hawaii shall make the
7 appointment upon petition by two or more employer trustees."

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

10 "[+]§87A-9[+] **Legal adviser.** The ~~[attorney general shall]~~
11 board may appoint or retain by contract an attorney who is
12 independent of the attorney general to serve as legal adviser to
13 the board and ~~[shall]~~ to provide legal representation for the
14 Hawaii employer-union health benefits trust fund. The legal
15 adviser shall have Employee Retirement and Income Security Act
16 (ERISA) employee benefits experience, either from the private or
17 public sector."

18 SECTION 6. Section 87A-11, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "[+]§87A-11[+] **Quorum; board actions; voting.** (a) ~~[Six]~~
21 Eight trustees, ~~[three]~~ four of whom represent the public
22 employer and ~~[three]~~ four of whom represent employee-



1 beneficiaries, shall constitute a quorum for the transaction of
2 business.

3 (b) Trustees representing the public employers shall
4 collectively have one vote. Trustees representing the employe-
5 beneficiaries shall collectively have one vote.

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

11 For any vote of the trustees representing the employe-
12 beneficiaries to be valid, [~~three~~] four of these trustees must
13 concur to cast [~~such~~] a vote. In the absence of [~~such~~] a
14 concurrence, the trustees representing the employe-
15 beneficiaries shall be deemed to have abstained from voting.

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

18 (c) Any action taken by the board shall be by the
19 concurrence of at least two votes. In the event of a tie vote
20 on any motion, the motion shall fail. Upon the concurrence of
21 [~~six~~] eight trustees, the board shall participate in dispute
22 resolution."



1 SECTION 7. Section 87A-15, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§87A-15[+] **Administration of the fund.** The board
4 shall administer and carry out the purpose of the fund. Health
5 and other benefit plans shall be provided [~~at a cost affordable~~
6 ~~to both the public employers and the public employees.~~] as
7 follows:

8 (1) For collective bargaining units based upon the
9 collectively bargained contributions from both the
10 employers and the employees;

11 (2) For retirees within the appropriation adopted by the
12 legislature and the respective counties; and

13 (3) For all other eligible beneficiaries based upon the
14 contribution from the employer and employees."

15 SECTION 8. Section 87A-30, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "§87A-30 **Hawaii employer-union health benefits trust fund;**
18 **establishment.** There is established outside the state treasury,
19 a trust fund to be known as the "Hawaii Employer-Union Health
20 Benefits Trust Fund". The fund shall consist of contributions,
21 interest, income, dividends, refunds, rate credits, and other
22 returns. It is hereby declared that any and all sums

1 contributed or paid from any source to the fund created by this
2 part, and all assets of the fund including any and all interest
3 and earnings on the same, are and shall be held in trust by the
4 board for the exclusive use and benefit of the employee-
5 beneficiaries and dependent-beneficiaries and shall not be
6 subject to appropriation for any other purpose whatsoever. The
7 fund shall be under the control of the board of trustees and
8 placed under the department of [~~budget and finance~~] human
9 resources development for administrative purposes."

10 SECTION 9. The director of human resources development
11 shall submit biennial reports to the legislature no later than
12 twenty days prior to the convening of the regular sessions of
13 2013 and 2015 on the cost effectiveness of the amendments made
14 under part I of this Act.

15 PART II

16 SECTION 10. Section 89-9, Hawaii Revised Statutes, is
17 amended as follows:

18 1. By amending subsection (a) to read:

19 "(a) The employer and the exclusive representative shall
20 meet at reasonable times, including meetings sufficiently in
21 advance of the February 1 impasse date under section 89-11, and
22 shall negotiate in good faith with respect to wages, hours, the



1 amounts of contributions by the State and respective counties to
2 the Hawaii employer-union health benefits trust fund or a
3 voluntary employees' beneficiary association trust to the extent
4 allowed in subsection (e), and other terms and conditions of
5 employment that are subject to collective bargaining and that
6 are to be embodied in a written agreement as specified in
7 section 89-10, but the obligation does not compel either party
8 to agree to a proposal or make a concession[~~;~~ ~~provided that the~~
9 ~~parties may not negotiate with respect to cost items as defined~~
10 ~~by section 89-2 for the biennium 1999 to 2001, and the cost~~
11 ~~items of employees in bargaining units under section 89-6 in~~
12 ~~effect on June 30, 1999, shall remain in effect until July 1,~~
13 ~~2001]."~~

14 2. By amending subsections (d) and (e) to read:

15 "(d) Excluded from the subjects of negotiations are
16 matters of classification, reclassification, benefits of [~~but~~
17 ~~not contributions to~~] the Hawaii employer-union health benefits
18 trust fund or a voluntary employees' beneficiary association
19 trust[~~;~~], and recruitment; examination; initial pricing; and
20 retirement benefits except as provided in section 88-8(h). The
21 employer and the exclusive representative shall not agree to any
22 proposal that would be inconsistent with the merit principle or



1 the principle of equal pay for equal work pursuant to section
2 76-1 or that would interfere with the rights and obligations of
3 a public employer to:

- 4 (1) Direct employees;
- 5 (2) Determine qualifications, standards for work, and the
6 nature and contents of examinations;
- 7 (3) Hire, promote, transfer, assign, and retain employees
8 in positions;
- 9 (4) Suspend, demote, discharge, or take other disciplinary
10 action against employees for proper cause;
- 11 (5) Relieve an employee from duties because of lack of
12 work or other legitimate reason;
- 13 (6) Maintain efficiency and productivity, including
14 maximizing the use of advanced technology, in
15 government operations;
- 16 (7) Determine methods, means, and personnel by which the
17 employer's operations are to be conducted; and
- 18 (8) Take such actions as may be necessary to carry out the
19 missions of the employer in cases of emergencies.

20 This subsection shall not be used to invalidate provisions
21 of collective bargaining agreements in effect on and after
22 June 30, 2007, and shall not preclude negotiations over the



1 procedures and criteria on promotions, transfers, assignments,
2 demotions, layoffs, suspensions, terminations, discharges, or
3 other disciplinary actions as a permissive subject of bargaining
4 during collective bargaining negotiations or negotiations over a
5 memorandum of agreement, memorandum of understanding, or other
6 supplemental agreement.

7 Violations of the procedures and criteria so negotiated may
8 be subject to the grievance procedure in the collective
9 bargaining agreement.

10 (e) Negotiations relating to contributions to the Hawaii
11 employer-union health benefits trust fund or a voluntary
12 employees' beneficiary association trust shall be for the
13 purpose of agreeing upon the amounts that the State and counties
14 shall contribute under sections 87A-32 through 87A-37, toward
15 the payment of the costs for a health benefits plan, as defined
16 in section 87A-1 and group life insurance benefits, and the
17 parties shall not be bound by the amounts contributed under
18 prior agreements[; ~~provided that section 89-11 for the~~
19 ~~resolution of disputes by way of arbitration shall not be~~
20 ~~available to resolve impasses or disputes relating to the~~
21 ~~amounts the State and counties shall contribute to the Hawaii~~
22 ~~employer-union health benefits trust fund or a voluntary~~



1 ~~employees' beneficiary association trust established under~~
2 ~~chapter 87D]."~~

3 SECTION 11. Section 89-11, Hawaii Revised Statutes, is
4 amended by amending subsection (g) to read as follows:

5 "(g) The decision of the arbitration panel shall be final
6 and binding upon the parties on all provisions submitted to the
7 arbitration panel~~[-]~~, including provisions with respect to the
8 amounts of contributions by the State and counties to the Hawaii
9 employer-union health benefits trust fund. ~~[If the parties have~~

10 ~~reached agreement with respect to the amounts of contributions~~
11 ~~by the State and counties to the Hawaii employer-union health~~
12 ~~benefits trust fund by the tenth working day after the~~

13 ~~arbitration panel issues its decision, the final and binding~~
14 ~~agreement of the parties on all provisions shall consist of the~~
15 ~~panel's decision and the amounts of contributions agreed to by~~

16 ~~the parties. If the parties have not reached agreement with~~
17 ~~respect to the amounts of contributions by the State and~~
18 ~~counties to the Hawaii employer-union health benefits trust fund~~

19 ~~by the close of business on the tenth working day after the~~
20 ~~arbitration panel issues its decision, the parties shall have~~
21 ~~five days to submit their respective recommendations for such~~

22 ~~contributions to the legislature, if it is in session, and if~~



1 ~~the legislature is not in session, the parties shall submit~~
2 ~~their respective recommendations for such contributions to the~~
3 ~~legislature during the next session of the legislature. In such~~
4 ~~event, the final and binding agreement of the parties on all~~
5 ~~provisions shall consist of the panel's decision and the amounts~~
6 ~~of contributions established by the legislature by enactment,~~
7 ~~after the legislature has considered the recommendations for~~
8 ~~such contributions by the parties.] It is strictly understood~~
9 that no member of a bargaining unit subject to this subsection
10 shall be allowed to participate in a strike on the issue of the
11 amounts of contributions by the State and counties to the Hawaii
12 employer-union health benefits trust fund. The parties shall
13 take whatever action is necessary to carry out and effectuate
14 the final and binding agreement. The parties may, at any time
15 and by mutual agreement, amend or modify the panel's decision.

16 Agreements reached pursuant to the decision of an
17 arbitration panel and the amounts of contributions by the State
18 and counties to the Hawaii employer-union health benefits trust
19 fund, as provided herein, shall not be subject to ratification
20 by the employees concerned. All items requiring any moneys for
21 implementation shall be subject to appropriations by the
22 appropriate legislative bodies and the employer shall submit all



1 such items within ten days after the date on which the agreement
2 is entered into as provided herein, to the appropriate
3 legislative bodies."

4 PART III

5 SECTION 12. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 13. This Act shall take effect on July 1, 2020:

- 8 (1) Provided that part I of this Act shall be repealed on
9 July 1, 2015 and sections 28-8.3, 87A-5, 87A-6, 87A-9,
10 87A-11, 87A-15, and 87A-30, Hawaii Revised Statutes,
11 shall be reenacted in the form in which they read on
12 the day before the effective date of this Act; and
- 13 (2) Provided further that the amendments made to section
14 89-9(e), Hawaii Revised Statutes, by section 10 in
15 part II of this Act shall not be repealed when section
16 89-9(e), Hawaii Revised Statutes, is reenacted on July
17 1, 2010, pursuant to section 1 of Act 5, Special
18 Session Laws of Hawaii 2008.



Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Trustee

Description:

Adds three new sections on selection of benefit plan carriers, fiduciary duties, and liability for breach of fiduciary duty; exempts the Hawaii employer-union health benefits trust fund from the requirement to use the attorney general; increases the members of the board of trustees from ten to twelve and changes membership and terms; authorizes the board to retain an attorney who is independent of the attorney general as legal advisor; transfers the fund from the department of budget and finance to the department of human resources development. Requires biennial reports to the legislature. Sunsets on July 1, 2015. Stipulates that the arbitration panel shall render a final and binding decision on contributions to the EUTF. Effective July 1, 2020. (SB2849 HD1)

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

