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January 22, 2010

TESTIMONY TO THE
SENATE COMMITTEE ON TRANSPORTATION, INTERNATIONAL AND
INTERGOVERNMENTAL AFFAIRS
For Hearing on Monday, January 25, 2010
1:15 p.m., Conference Room 224

BY

MARIE C. LADERTA, DIRECTOR

Senate Bill No. 2175
Relating to the Employer-Union Health Benefits Trust Fund

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON J. KALANI ENGLISH AND MEMBERS OF THE COMMITTEE:

The purpose of S. B. 2175 is to require that one of the five seats on the Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees allocated to public employers be occupied by a member appointed by the Hawaii Council of Mayors.

The Department of Human Resources Development **opposes** this bill because it is unnecessary.

HRS §87A-5 already allows the flexibility to include county representation since the Mayors can nominate their Directors of Finance for appointment to public employer seats that become vacant, for the Governor's consideration. As currently stated, HRS §87A-5(2) simply provides that there shall be "five trustees to represent public employers." Thus, there is nothing that precludes the Governor from appointing trustees from the counties, the Judiciary, the University of Hawaii, the Hawaii Health

Systems Corporation, or the Department of Education. To our knowledge, none of the Mayors have ever asked the Governor to consider appointing a trustee from their jurisdictions, although they clearly are able to do so.

The proposed amendment to HRS §87A-5 is, therefore, not warranted because it does not create representation on the EUTF Board of Trustees that is different from what is already possible under the law.

Thank you for the opportunity to testify on this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Marie Laderta", written in a cursive style.

MARIE C. LADERTA
Director