

STAND. COM. REP. NO.

726

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1066
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1066, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to transfer the employer-union health benefits trust fund ("EUTF") to the Department of Human Resources Development and to change the size, composition, and appointment process of the board of trustees of the trust fund.

Furthermore, this measure also authorizes the board of trustees to procure benefit plan carriers, without regard to the public procurement process, and to retain an attorney who possesses Employee Retirement and Income Security Act employee benefits experience and who is independent of the Attorney General.

Your Committee received comments in opposition to this measure from Kalbert K. Young, Director, Department of Budget and Finance; and the Department of the Attorney General.

Your Committee received comments on this measure from Aaron S. Fujioka, Administrator, State Procurement Office.

Your Committee finds that there is widespread agreement among interested stakeholders that the EUTF is not operating as it was

SB1066 SD2 SSCR LRB 11-2485.doc

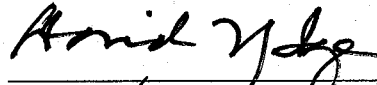


originally intended to operate and instead has created serious problems for state and county employees and their public employers. This measure contains several significant reforms that will eliminate many of the problems that currently make the EUTF ineffective and expensive.

Your Committee has amended this measure by making clarifying amendments as well as technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1066, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1066, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

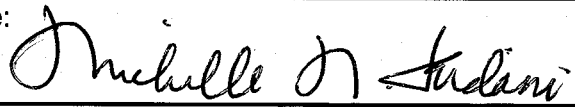


DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1066 SD1	JDL, WAM	3-1-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.				✓
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam			✓	
TOTAL	11	0	1	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes