

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 175, H.D. 1

February 28, 2011

RELATING TO THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

House Bill No. 175, H.D. 1, requires that one member of the Employer-Union Health Benefits Trust Fund Board of Trustees be appointed by agreement of the mayors of the four counties and approved by the Hawaii State Association of Counties. This bill also allows the Governor to fill the vacancy should it not be filled within sixty days.

The Department of Budget and Finance supports the general intent of this measure to have one county representative on the Board of Trustees.

DEPARTMENT OF BUDGET & FISCAL SERVICES
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PETER B. CARLISLE
MAYOR



MICHAEL R. HANSEN
DIRECTOR

February 28, 2011

The Honorable Marcus R. Oshiro, Chair
and Members of the Committee on Finance
The House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Oshiro and Members:

Subject: House Bill No. 175, H.D. 1
Relating to Employer-Union Health Benefits Trust Fund

The Departments of Budget and Fiscal Services and Human Resources support House Bill 175, House Draft 1 which proposes amendments to Section 87A-5, Hawaii Revised Statutes, to provide for county representation on the Employer-Union Health Benefits Trust Fund (EUTF) board of trustees.

The decisions of the EUTF Board of Trustees significantly affects the City's (and other counties) budget as well as our employees and retirees. However, there is currently no requirement to appoint a county representative to the Board. This bill would enable the EUTF Board to benefit from a county perspective.

We strongly support passage of this bill, and thank the committee for the opportunity to present testimony

Yours truly,

Handwritten signature of Michael R. Hansen in black ink.

Michael R. Hansen, Director
Department of Budget and Fiscal Services

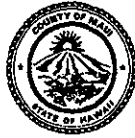
Handwritten signature of Noel T. Ono in black ink.

Noel T. Ono, Director
Department of Human Resources

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

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COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
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February 28, 2011

TO: The Honorable Marcus R. Oshiro, Chair
House Committee on Finance

FROM: Joseph Pontanilla, Treasurer 
Hawaii State Association of Counties

SUBJECT: **HEARING OF FEBRUARY 28, 2011; TESTIMONY IN SUPPORT OF HB 175, HD1,
RELATING TO THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure is to require one of the members of the Employer-Union Health Benefits Trust Fund Board of Trustees to be appointed by agreement of the mayors of the four counties and approved by the Hawaii State Association of Counties.

I am aware that the President of the Hawaii State Association of Counties (HSAC) has submitted testimony, on behalf of HSAC, in support of this measure, which is in the HSAC Legislative Package. As the Treasurer of HSAC, I concur with the testimony submitted by the President, and urge you to support this measure.

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Hawai'i State Association of Counties (HSAC)
Counties of Kaua'i, Maui, and Hawai'i, and City & County of Honolulu

The Twenty-Sixth Legislature
Regular Session of 2011
House Committee on Finance
Monday, February 28, 2011
State Capitol Conference Room 308 (3:30 p.m.)

The Honorable Marcus R. Oshiro, Chair
House Committee on Finance and Committee Members
Hawai'i State Capitol
Honolulu, Hawai'i

Aloha Committee Chair Oshiro and Members of the House Finance Committee:

**SUBJECT: HOUSE BILL NO. 175, HOUSE DRAFT 1 (RELATING TO THE
EMPLOYER-UNION HEALTH BENEFITS TRUST FUND)**

My name is Derek Kawakami from the County of Kaua'i, and I submit this testimony in my capacity as President of the Hawai'i State Association of Counties.

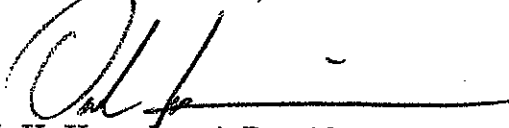
The Hawai'i State Association of Counties (HSAC) is in support of House Bill No. 175, House Draft 1, which is part of the 2011 HSAC Legislative Package.

This bill proposes to include a designated representative of the counties as a member of the board of trustees of the employer-union health benefits trust fund (EUTF).

Adding a county-designated trustee to the EUTF board would help to meet the needs of county EUTF members. We would also hope to provide current and timely information for decision-making on EUTF benefits that would have a direct fiscal impact on our counties' budgets.

Thank you very much for this opportunity to provide this testimony and for your hard work on this issue.

Mahalo a nui loa,



Derek S. K. Kawakami, President
Hawaii State Association of Counties