

STAND. COM. REP. NO. 913

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 1041
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1041, H.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 of this bill is to:

- (1) Eliminate Medicare Part B reimbursements for employee-beneficiaries who are hired after June 30, 2011, and for the spouses of employee-beneficiaries who are hired after June 30, 2011; and
- (2) Establish an accrual schedule for Medicare Part B reimbursements for employee-beneficiaries who retire with less than ten years of credited service.

Imua Alliance and a concerned individual testified in support of this bill. The Hawaii Government Employees Association and several individuals testified in opposition to this measure. The Department of the Attorney General, the City and County of Honolulu Department of Budget & Fiscal Services, and a concerned individual commented on this measure.

HB1041 HD2 HSCR FIN HMS 2011-2832



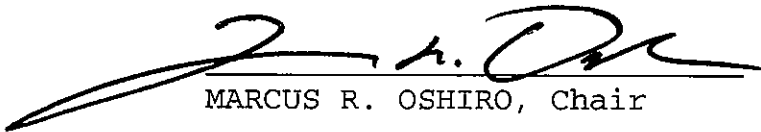
Upon consideration, your Committee has amended this bill by:

- (1) Eliminating the accrual schedule for Medicare Part B reimbursements for employee-beneficiaries who retire with less than ten years of credited service; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee's prospective application of the provisions in this bill and the deletions made from the H.D. 1 version of this bill are not an endorsement of the theory that benefits accrue at any particular time or that benefits accrue at all.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1041, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1041, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



HSCR 913

State of Hawaii
House of Representatives
The Twenty-sixth Legislature

Record of Votes of the Committee on Finance

| Bill/Resolution No.: HB 1041, HD1 | Committee Referral: LAB, FIN | Date: 2/26/11 | | |
|---|---------------------------------|------------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. OSHIRO, Marcus R. (C) | ✓ | | | |
| 2. LEE, Marilyn B. (VC) | ✓ | | | |
| 3. CHONG, Pono | ✓ | | | |
| 4. CHOY, Isaac W. | ✓ | | | |
| 5. COFFMAN, Denny | ✓ | | | |
| 6. CULLEN, Ty | ✓ | | | |
| 7. HAR, Sharon E. | ✓ | | | |
| 8. HASHEM, Mark J. | | | | ✓ |
| 9. ICHIYAMA, Linda | ✓ | | | |
| 10. JORDAN, Jo | ✓ | | | |
| 11. LEE, Chris | ✓ | | | |
| 12. MORIKAWA, Dee | ✓ | | | |
| 13. TOKIOKA, James Kunane | | | | ✓ |
| 14. YAMASHITA, Kyle T. | ✓ | | | |
| 15. MARUMOTO, Barbara C. | ✓ | | | |
| 16. RIVIERE, Gil | ✓ | | | |
| 17. WARD, Gene | ✓ | | | |
| TOTAL (17) | 15 | 0 | 0 | 2 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: <u>Marilyn B. Lee</u> | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |