

STAND. COM. REP. NO. 372 -12

Honolulu, Hawaii

Feb 14 , 2012

RE: H.B. No. 2102

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2102 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 measure is to work towards addressing the ever increasing costs of retiree health benefits paid by State and county employers thus reducing the burden on taxpayers by eliminating Medicare part B reimbursements for employee beneficiaries and spouses of employee beneficiaries hired after June 30, 2012.

The Department of Budget and Finance, Department of Budget and Fiscal Services of the City and County of Honolulu, and Department of Human Resources of the City and County of Honolulu testified in support of this measure. The Hawaii Government Employees Association, Hawaii State Teachers Association, University of Hawaii Professional Assembly, IMUAlliance, and Hawaii Fire Fighters Association testified in opposition to this measure.

HB2102 HSCR LAB HMS 2012-1872



Increased health care costs have had a tremendous impact on public sector employers, and thus, the taxpayer. Currently, the State is facing a \$14 billion unfunded liability for other post employment benefits and facilitating the sustainability of benefits under the Hawaii Employer-Union Health Benefits Trust Fund. Your Committee finds that benefit costs overall have become unsustainable and tough decisions have to be made today so that even more drastic measures do not need to be taken in the future.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2102 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 372-12

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HD 2102	Committee Referral: LAB & FIN	Date: 2-7-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. CULLEN, Ty	/			
5. ICHIYAMA, Linda	/			
6. LEE, Marilyn B.	/			
7. LUKE, Sylvia	/	/		
8. OKAMURA, Tom				
9. SAIKI, Scott K.				/
10. SOUKI, Joseph M.				/
11. TAKUMI, Roy M.	/			/
12. FONTAINE, George R.	/			
13. JOHANSON, Aaron Ling		/		
TOTAL (13)	6	2	—	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

Kg