

STAND. COM. REP. NO. **2878**

Honolulu, Hawaii

MAR 21 2012

RE: H.B. No. 2439
H.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 2439, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to make clarifying
amendments to the laws governing the Hawaii employer-union health
benefits trust fund. Specifically, this measure:

- (1) Aligns the definition of the term "credited service" in
section 87A-1, Hawaii Revised Statutes, with the use of
the term "service" under the pension and retirement
laws; and
- (2) Clarifies the definition of "employee" and "part-time,
temporary, and seasonal or casual employee" in section
87A-1, Hawaii Revised Statutes, to comport with existing
public employee health benefits laws by clarifying that:
 - (A) An employee does not include a per diem employee;
and
 - (B) A part-time, temporary, and seasonal or casual
employee is a person that is employed for fewer
than three months or whose employment is less than
one-half of a full-time equivalent position; not
necessarily both.



Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that certain terminology relating to the Hawaii public employees health fund, the predecessor of the Hawaii employer-union health benefits trust fund, remains in law and neither comports with existing public employee health benefits laws nor reflects the Legislature's intent to grant health fund benefits to public sector employees based on status as an employee or service credits. As such, this measure makes clarifying amendments to and updates the laws governing the Hawaii employer-union health benefits trust fund.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2439, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



CLAYTON HEE, Chair



