

DEPARTMENT OF BUDGET & FISCAL SERVICES

CITY AND COUNTY OF HONOLULU

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PETER B. CARLISLE
MAYOR



MICHAEL R. HANSEN
DIRECTOR

March 22, 2011

The Honorable Clayton Hee, Chair
and Members of the Committee on Judiciary and Labor
The Honorable Will Espero, Chair
and Members of the Committee on Public Safety, Government
Operations and Military Affairs
The Senate
State Capitol
Honolulu, Hawaii 96813

Dear Chairs Hee and Espero and Members:

Subject: **House Bill No. 175, H.D. 2**
Relating to Employer-Union Health Benefits Trust Fund

The Departments of Budget and Fiscal Services and Human Resources **support** House Bill 175, House Draft 2 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 ask that the effective date be amended to July 1, 2011

Thank you for the opportunity to testify on H.B. 175.

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

LATE TESTIMONY WRITTEN ONLY

TESTIMONY BY **KALBERT K. YOUNG**
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEES ON JUDICIARY AND LABOR
AND PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS
ON
HOUSE BILL NO. 175, H.D. 2

March 22, 2011

RELATING TO THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

House Bill No. 175, H.D. 2, 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.

WRITTEN ONLY

TESTIMONY BY BARBARA CORIELL
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR AND COMMITTEE ON
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS
ON
HOUSE BILL NO. 175, H.D. 2

9:00 a.m., March 22, 2011

RELATING TO THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Chairperson Hee and Members of the Committee:

My name is Barbara Coriell, and I am Administrator of the Hawaii Employer-Union Health Benefits Trust Fund (also known as the EUTF). Thank you for this opportunity to present this testimony reporting that the Board of Trustees voted to support House Bill No. 175, H.D. 2. at their March 17, 2011 meeting.

The Board believes that since a significant portion of City and County and neighbor island County employees and retirees are covered under EUTF plans, having a Board member appointed by agreement of the mayors of the four counties and approved by the Hawaii State Association of Counties would enhance the makeup of the EUTF Board of Trustees.