
A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to convene a task
2 force in the department of budget and finance to examine the
3 unfunded liability of the Hawaii employer-union health benefits
4 trust fund.

5 SECTION 2. (a) There is established a Hawaii employer-
6 union health benefits trust fund task force within the
7 department of budget and finance for administrative purposes to
8 consist of the following members:

- 9 (1) Two members from the house of representatives selected
10 by the speaker of the house of representatives;
- 11 (2) Two members from the senate selected by the senate
12 president;
- 13 (3) Four members representing the State's unions;
- 14 (4) The director of budget and finance, or the director's
15 designee;
- 16 (5) The State's chief negotiator, or the chief
17 negotiator's designee;



1 (6) One member from the Hawaii Council of Mayors; and

2 (7) One member from the Hawaii State Association of
3 Counties.

4 The director of budget and finance, or the director's
5 designee, shall serve as the chairperson of the task force. The
6 task force shall cease to exist on June 30, 2014.

7 (b) The members of the task force shall serve without
8 compensation, but shall be reimbursed for expenses, including
9 travel expenses, necessary for the performance of their duties.
10 No member shall be made subject to chapter 84, Hawaii Revised
11 Statutes, solely because of that member's participation as a
12 member of that task force.

13 SECTION 3. The Hawaii employer-union health benefits trust
14 fund task force shall examine the unfunded liability of the
15 Hawaii employer-union health benefits trust fund, including:

16 (1) The current and projected unfunded actuarial accrued
17 liability of the Hawaii employer-union health benefits
18 trust fund;

19 (2) The availability of medical benefits plans other than
20 plans that pay or reimburse medical services providers
21 under a fee-for-service model; provided that the task



1 force shall explore alternative medical benefits
2 plans;

3 (3) The costs and benefits of alternative medical benefits
4 plans in relation to the medical benefits plans
5 currently offered by the trust fund;

6 (4) An evaluation of the costs and process of
7 transitioning from the current medical benefits plans
8 to an alternative medical benefits plan, including
9 recommended proposed legislation; and

10 (5) Any other matters that are relevant to gaining a full
11 and meaningful understanding of the circumstance of
12 the trust fund.

13 SECTION 4. The director of budget and finance, in
14 consultation with the task force, shall submit a report to the
15 legislature, including findings, recommendations, and
16 implementing draft legislation no later than twenty days prior
17 to the convening of the regular session of 2014.

18 SECTION 5. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2013-2014 to support
21 the work of the Hawaii employer-union health benefits trust fund
22 task force, including necessary travel expenses for task force



1 members that reside outside of Oahu and consulting services of
2 persons knowledgeable in relevant issues.

3 The sum appropriated shall be expended by the department of
4 budget and finance for the purposes of this Act.

5 SECTION 6. This Act shall take effect upon its approval.



Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Task Force

Description:

Establishes the Hawaii Employer-Union Health Benefits Trust Fund Task Force within the Department of Budget and Finance to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund. Makes an appropriation. (HD2)

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