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## 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) One member representing public employee retirees;
- 15           (5) The director of finance, or the director's designee;
- 16           (6) One member from the Hawaii Council of Mayors; and



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

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

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

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

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

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



- 1       (3) The costs and benefits of alternative medical benefits
- 2             plans in relation to the medical benefits plans
- 3             currently offered by the trust fund;
- 4       (4) An evaluation of the costs and process of
- 5             transitioning from the current medical benefits plans
- 6             to an alternative medical benefits plan, including
- 7             recommended proposed legislation; and
- 8       (5) Any other matters that are relevant to gaining a full
- 9             and meaningful understanding of the circumstance of
- 10            the trust fund.

11       SECTION 4. The director of finance, in consultation with

12 the task force, shall submit a report to the legislature,

13 including findings, recommendations, and implementing draft

14 legislation, no later than twenty days prior to the convening of

15 the regular session of 2014.

16       SECTION 5. There is appropriated out of the general

17 revenues of the State of Hawaii the sum of \$             or so

18 much thereof as may be necessary for fiscal year 2013-2014 to

19 support the work of the Hawaii employer-union health benefits

20 trust fund task force, including necessary travel expenses for

21 task force members who reside outside of Oahu and consulting

22 services of persons knowledgeable in relevant issues.



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

3           SECTION 6. This Act shall take effect upon its approval;  
4 provided that section 5 shall take effect on July 1, 2013.

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**Report Title:**

Hawaii Employer-union Health Benefits Trust Fund; Task Force;  
Appropriation

**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 for the task force. (SD1)

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