



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

LATE TESTIMONY

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The Twenty-Seventh Legislature, State of Hawaii
House of Representatives
Committee on Labor and Public Employment

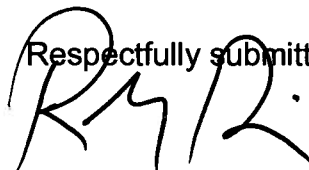
Testimony by
Hawaii Government Employees Association
February 5, 2013

H.B. 592 – RELATING TO THE HAWAII
EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes the amendments proposed in H.B. 592, which changes the structure of the Employer-Union Health Benefits Trust Fund (EUTF) board of trustees by adding an eleventh member, amends the board voting and quorum procedures, and requires the board to amortize the accrued actuarial unfunded liability within thirty years.

Although the board structure, voting and quorum procedures as currently written may be perceived as cumbersome, it is the fairest way to ensure equal representation of the employer and employee representatives. The proposed changes, inclusive of adding an eleventh member who represents the general public, would create a lop-sided board, which is advantageous only to the employer representatives. Further, we respectfully question whether the board has the authority or the capability to address the unfunded liability within thirty years, as the function of the board is to determine benefit plan design and set premiums; the board does not have control of other contributing factors such as increasing plan costs or control of the budget.

Thank you for the opportunity to provide testimony in opposition to H.B. 592.

Respectfully submitted,


Randy Perreira
Executive Director