

TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT  
ON  
HOUSE BILL NO. 2265

January 31, 2014

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
TASK FORCE

House Bill No. 2265 extends the sunset date and the report due date of the Hawaii Employer-Union Health Benefits Trust Fund Task Force and extends the lapse date of the appropriation to support the task force to June 30, 2015, by amending Act 268, Session Laws of Hawaii 2013.

The Department of Budget and Finance (B&F) supports this measure. Due to logistical constraints and difficulties constituting the members, the task force was not able to meet to produce a report that would warrant the significance of the task force's scope of responsibility. However, B&F has been approached by The Pew Charitable Trusts (The Pew Center for States) to assist with research, fiscal analysis and more specifically Multi-State Benefits Assessment, Presentations and Facilitation, and Long-Term Sustainability Framework. We expect this to be significantly beneficial for Hawaii and task force members in developing a more informative curriculum and work product. If House Bill No. 2265 is passed the delivery of this report would also coincide with another report required of B&F in Act 268, SLH 2013, related to an implementation plan for investments between the Employer Union Trust Fund and the Employees' Retirement System. This would further add to the benefit of synergizes with the timing and delivery of both reports.

Thank you for the opportunity to testify.

Council Chair  
Gladys C. Baisa

Vice-Chair  
Robert Carroll

Council Members  
Elle Cochran  
Donald G. Couch, Jr.  
Stacy Crivello  
Don S. Guzman  
G. Riki Hokama  
Michael P. Victorino  
Mike White

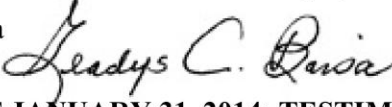


Director of Council Services  
David M. Raatz, Jr., Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
www.mauiCounty.gov/council

January 30, 2014

TO: The Honorable Mark Nakashima, Chair  
House Committee on Labor & Public Employment

FROM: Gladys C. Baisa  
Council Chair 

SUBJECT: **HEARING OF JANUARY 31, 2014; TESTIMONY IN SUPPORT OF HB 2265,  
RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST  
FUND TASK FORCE**

Thank you for the opportunity to testify **in support** of this important measure. The purpose of this measure is to extend the sunset date and report due date of Hawaii Employer-Union Health Benefits Trust Fund ("EUTF") Task Force.

I support this measure for the following reasons:

1. The Task Force examines the EUTF's unfunded liability, estimated to be \$11 billion to \$18 billion. The Task Force must submit a report to the Legislature in consultation with the State Director of Finance, and include findings, recommendations and proposed legislation. The Task Force needs more time to complete this important work.
2. The Hawaii State Association of Counties representative to the Task Force is Maui County Councilmember Mike White, who chairs the Council's Budget and Finance Committee. Recommendations from the Task Force may affect the County budget and County employees' benefits.

For the foregoing reasons, I **support** this measure.

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TESTIMONY BY SANDRA YAHIRO  
ACTING ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST  
FUND, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

ON

HOUSE BILL NO. 2265

January 31, 2014, 9:00 a.m.

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
TASK FORCE

Chairperson Nakashima and Members of the Committee:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees (Board) supports House Bill No. 2265 relating to the Hawaii Employer-Union Health Benefits Trust Fund Task Force. The passage of this bill will allow more time for the Task Force to have ample opportunity to execute its mission.

Thank you for the opportunity to testify in support of this measure.