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# A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEES.

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

1           SECTION 1. Chapter 87A, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:  
4           "§87A-     Retiree and beneficiary contributions; health  
5 benefit plans. Contributions by retirees and beneficiaries to  
6 the fund that represent the difference between the monthly  
7 contributions by the State or county to the fund and the actual  
8 costs of health benefits plans, under sections 87A-33, 87A-33.5,  
9 87A-34, 87A-35, and 87A-36, shall be paid by the board of the  
10 employees' retirement system through the withholding of the  
11 payment amounts to which retirees and beneficiaries would  
12 otherwise be entitled to receive under section 88-6. The  
13 amounts shall be based upon copayment billing information  
14 received from the board. The board shall submit an annual  
15 report to the legislature on the contribution amounts paid to  
16 the fund under this section.



1        A retiree or beneficiary may annually make an election to  
2 opt out of the requirement that the board of the employees'  
3 retirement system withhold and pay over health benefits  
4 copayment amounts to the board as required by this section."

5        SECTION 2. Section 87A-30, Hawaii Revised Statutes, is  
6 amended to read as follows:

7        "§87A-30 Hawaii employer-union health benefits trust fund;  
8 establishment. (a) There is established outside the state  
9 treasury, a trust fund to be known as the "Hawaii Employer-Union  
10 Health Benefits Trust Fund". The fund shall consist of  
11 contributions, interest, income, dividends, refunds, rate  
12 credits, and other returns. It is hereby declared that any and  
13 all sums contributed or paid from any source to the fund created  
14 by this part, and all assets of the fund including any and all  
15 interest and earnings on the same, are and shall be held in  
16 trust by the board for the exclusive use and benefit of the  
17 employee-beneficiaries and dependent-beneficiaries and shall not  
18 be subject to appropriation for any other purpose whatsoever.  
19 The fund shall be under the control of the board and placed  
20 under the department of budget and finance for administrative  
21 purposes.



1       (b) The fund shall also consist of contributions received  
2 on behalf of retirees and beneficiaries from the board of  
3 trustees of the employees' retirement system that represent the  
4 difference between the monthly contributions by the State or  
5 county to the fund and the actual costs of health benefits  
6 plans, under sections 87A-33, 87A-33.5, 87A-34, 87A-35, and 87A-  
7 36. The amounts shall be based upon copayment billing  
8 information submitted by the trustees to the board of the  
9 employees' retirement system."

10       SECTION 3. This Act does not affect rights and duties that  
11 matured, penalties that were incurred, and proceedings that were  
12 begun before its effective date.

13       SECTION 4. New statutory material is underscored.

14       SECTION 5. This Act shall take effect on July 1, 2091.



**Report Title:**

ERS; EUTF; Retiree Copayments

**Description:**

Requires public retiree contributions to the EUTF to be paid through withholdings of retirement benefit amounts from the ERS. (HB2016 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

