
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 legislature finds that the Hawaii employer-
2 union health benefits trust fund exists to administer health and
3 other benefit plans for both the public employers and the public
4 employees. State and county employers fund the cost of health
5 benefits plans through monthly contributions, and all assets of
6 the fund are held in trust by the board for the exclusive use
7 and benefit of the employee-beneficiaries and dependent-
8 beneficiaries.

9 The legislature further finds that employers are required
10 to file reports and returns to federal and state agencies
11 detailing contributions and benefits provided to each employee-
12 beneficiary and dependent-beneficiary. However, the information
13 necessary for these filings has not always been transmitted by
14 the fund as required by law.

15 The purpose of this Act is to define the employer as the
16 plan administrator and owner of information regarding its



1 contributions and employees and clarifying the fund's role as a
2 fund fiduciary and trustee.

3 SECTION 2. Section 87A-22, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) The board shall make information summarizing approved
6 benefits plans available to each employee-beneficiary[-] and
7 contributing employer, who shall be designated as the plan
8 administrator. The information shall, to the extent reasonably
9 possible, be distributed to each employee-beneficiary and plan
10 administrator at the same time and in the same manner. Pursuant
11 to section 103(a)(2) of the Employee Retirement Income Security
12 Act of 1974, as amended, the board shall transmit and certify
13 the information needed by the plan administrator to file the
14 annual report required under section 104(a)(1) of the Act and 29
15 Code of Federal Regulations sections 2520.104a-5 or
16 2520.104a-6."

17 SECTION 3. Section 87A-25, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "[+]§87A-25[+] **Other duties.** The board shall:



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- 1 (1) Authorize charges and payments from the fund only upon
2 vouchers countersigned by the chairperson and any
3 other person designated by the board;
- 4 (2) Maintain accurate records and accounts of all
5 financial transactions of the fund that shall be
6 audited annually and summarized in an annual report to
7 the governor and legislature;
- 8 (3) Maintain suitable and adequate records and provide
9 information requested by State and county employers as
10 necessary to carry out the purpose of the fund[;], and
11 for employers to fulfill applicable filing obligations
12 under federal and state laws, rules, and regulations,
13 including title 29 of the Code of Federal Regulations,
14 relating to labor, and the Employee Retirement Income
15 Security Act of 1974, as amended;
- 16 (4) Procure fiduciary liability insurance and error and
17 omissions coverage for all trustees; and
- 18 (5) Procure a fidelity bond of a reasonable amount for the
19 chairperson and any other person authorized to handle
20 fund moneys."



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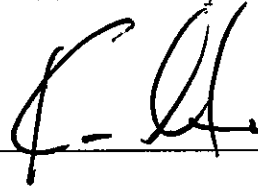
1 SECTION 4. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 5. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 6. This Act shall take effect on July 1, 2015.

7

INTRODUCED BY: _____

A handwritten signature in black ink, appearing to be 'F. A.', written over a horizontal line.

JAN 21 2015



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Report Title:

EUTF; Plan Administrator; Employer

Description:

Enables the employer as plan administrator to receive benefit plan information from the board in order to meet federal reporting requirements. Requires the board to provide the information to the employer.

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

