

JAN 23 2015

A BILL FOR AN ACT

RELATING TO EMPLOYER-UNION HEALTH BENEFITS.

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

1 SECTION 1. The purpose of this Act is to address the
2 annual required contribution by the State to the separate trust
3 fund administered by the board of trustees of the Hawaii
4 employer-union health benefits trust fund for other post-
5 employment benefits.

6 Beginning with fiscal year 2016-2017, this Act requires
7 reimbursements from a non-general or federal fund to the general
8 fund for the portion of the annual required contribution made
9 for state employees and retirees whose compensation is or was
10 paid from the non-general or federal fund.

11 This Act also includes a technical amendment expressly
12 requiring reimbursements from a non-general or federal fund to
13 the State for health benefits contributions made for state
14 retirees living outside the State.

15 SECTION 2. Section 87A-39, Hawaii Revised Statutes, is
16 amended to read as follows:



1 " ~~[§]~~87A-39~~[§]~~ Reimbursement for state contributions. (a)

2 All state agencies having control of funds other than the
3 general fund shall reimburse the State for contributions made by
4 the State pursuant to ~~[sections]~~:

5 (1) Sections 87A-32, 87A-33, 87A-33.5, 87A-34, 87A-35,
6 87A-36, and 87A-37; and

7 (2) Section 87A-42(b) or (c), or both;

8 on account of agency employees whose compensation is or was paid
9 in whole or part from those funds ~~[other than the general fund]~~.

10 (b) All state and county agencies receiving federal funds,
11 which may be expended for the purpose of replacing the
12 contributions payable by the State to the Hawaii employer-union
13 health benefits trust fund, shall set aside a portion of the
14 federal funds sufficient to reimburse the State for
15 contributions made by the State pursuant to ~~[sections]~~:

16 (1) Sections 87A-32, 87A-33, 87A-33.5, 87A-34, 87A-35,
17 87A-36, and 87A-37~~[7]~~; and

18 (2) Section 87A-42(b) or (c), or both;

19 on account of the employees in the agencies whose compensation
20 is or was paid in whole or part from those federal funds.



1 (c) The director of finance shall establish the rate or
2 formula for the reimbursements under subsections (a) and (b).
3 If deemed necessary by the director, the approval of the United
4 States Department of Health and Human Services shall be obtained
5 by the director before imposing the rate or formula on agencies
6 required to make reimbursements.

7 (d) For the purpose of subsections (a)(2) and (b)(2),
8 "contributions" reimbursable from non-general and federal funds
9 includes amounts paid from general excise tax revenues for the
10 state public employer's annual required contribution pursuant to
11 section 87A-42(c)."

12 SECTION 3. (a) The reimbursement of the general fund from
13 a non-general or federal fund for a portion of the annual
14 required contribution paid for other post-employment benefit
15 obligations, as required under this Act, shall commence from
16 fiscal year 2016-2017.

17 (b) For fiscal years 2016-2017 and 2017-2018, the
18 reimbursements required by this Act shall be based on the annual
19 required contribution actually made by the State pursuant to
20 section 87A-42, Hawaii Revised Statutes, as modified by section
21 11 of Act 268, Session Laws of Hawaii 2013.



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

3 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

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S.B. NO. 249

Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Annual Required Contribution, Non-General or Federal Fund Reimbursement

Description:

Beginning with fiscal year 2016-2017, requires reimbursements from a non-general or federal fund to the general fund for the annual required contribution made for state employees and retirees whose compensation is or was paid from the non-general or federal fund.

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