
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:

17 "~~§~~87A-39~~§~~ **Reimbursement for state contributions.** (a)

18 All state agencies having control of funds other than the



1 general fund shall reimburse the State for contributions made by
2 the State pursuant to [~~sections~~]:

3 (1) Sections 87A-32, 87A-33, 87A-33.5, 87A-34, 87A-35,
4 87A-36, and 87A-37; and

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

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

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

14 (1) Sections 87A-32, 87A-33, 87A-33.5, 87A-34, 87A-35,
15 87A-36, and 87A-37[~~7~~]; and

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

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

19 (c) The director of finance shall establish the rate or
20 formula for the reimbursements under subsections (a) and (b).

21 If deemed necessary by the director, the approval of the United



1 States Department of Health and Human Services shall be obtained
2 by the director before imposing the rate or formula on agencies
3 required to make reimbursements.

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

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

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

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 Statutory material to be repealed is bracketed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

21 SECTION 5. This Act shall take effect on January 7, 2059.



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. Effective 01/07/2059. (SD1)

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