

STAND. COM. REP. NO. 2624

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2838
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2838 entitled:

"A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Board of Trustees of the Employer-Union Health Benefits Trust Fund to invest moneys in the same manner as the Board of Trustees of the Employees' Retirement System and to make certain housekeeping amendments.

Your Committee received testimony in support of this measure from Hawaii Union-Employer Health Benefits Trust Fund.

Your Committee finds that current law allows the Employer-Union Health Benefits Trust Fund to invest in only some of the obligations that may be invested in by the Employees' Retirement System. Your Committee further finds that it is appropriate to allow the Employer-Union Health Benefits Fund to invest in the same asset classes as those permitted to the Employees' Retirement System, because it is expected that, over time, the asset allocation of the Employer-Union Health Benefits Trust Fund will begin to resemble that of the Employees' Retirement System.

Your Committee has amended this measure by:



- (1) Deleting the housekeeping amendments for which the subject matter falls outside the scope of the measure's title; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2838, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2838, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



