

HB 1068

RELATING TO THE STATE AND COUNTY
CONTRIBUTIONS TO THE HAWAII
EMPLOYER-UNION HEALTH BENEFITS
TRUST FUND.

LAB, FIN

HB1068



Submit Testimony

Measure Title: RELATING TO THE STATE AND COUNTY CONTRIBUTIONS TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND.

Report Title: Hawaii Employer-Union Health Benefits Trust Fund

Description: Make housekeeping amendments.

Companion: [SB934](#)

Package: Governor

Current Referral: LAB, FIN

Introducer(s): SOUKI (Introduced by request of another party)

Sort by Date		Status Text
1/23/2017	H	Pending introduction.
1/25/2017	H	Pass First Reading
1/27/2017	H	Referred to LAB, FIN, referral sheet 5
2/6/2017	H	Bill scheduled to be heard by LAB on Thursday, 02-09-17 11:00AM in House conference room 309.

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment
Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

HB1068

A BILL FOR AN ACT

RELATING TO THE STATE AND COUNTY CONTRIBUTIONS TO THE HAWAII
EMPLOYER-UNION HEALTH BENEFITS TRUST FUND.

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

1 SECTION 1. The purpose of this Act is to make housekeeping
2 amendments to sections 87A-34 and 87A-36, Hawaii Revised
3 Statutes.

4 SECTION 2. Section 87A-34, Hawaii Revised Statutes, is
5 amended by amending subsection (a) to read as follows:

6 "(a) This section shall apply to state and county
7 contributions to the fund for employees specified in paragraph
8 [~~(1)(E)~~] (1)(D) of the definition of "employee" in section 87A-1
9 who:

- 10 (1) Were hired on or before June 30, 1996; and
11 (2) Retired after June 30, 1984, with fewer than ten years
12 of credited service, excluding sick leave."

13 SECTION 3. Section 87A-36, Hawaii Revised Statutes, is
14 amended by amending subsection (c) to read as follows:

15 "(c) The State, through the department of budget and
16 finance, and the counties, through their respective departments
17 of finance, shall pay to the fund:

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- 1 (1) For retired employees based on the self plan with ten
2 or more years but fewer than fifteen years of service,
3 a monthly contribution equal to one-half of the base
4 medicare or non-medicare monthly contribution set
5 forth under section 87A-33(b);
- 6 (2) For retired employees based on the self plan with at
7 least fifteen but fewer than twenty-five years of
8 service, a monthly contribution equal to seventy-five
9 per cent of the base medicare or non-medicare monthly
10 contribution set forth under section 87A-33(b);
- 11 (3) For retired employees based on the self plan with
12 twenty-five or more years of service, a monthly
13 contribution equal to one-hundred per cent of the base
14 medicare or non-medicare monthly contribution set
15 forth under section 87A-33(b); and
- 16 (4) One-half of the monthly contributions for the
17 employee-beneficiary or employee-beneficiary with
18 dependent-beneficiaries upon the death of the
19 employee, as defined in paragraph ~~[-(1)-(E)]~~ (1)(D) of
20 the definition of "employee" in section 87A-1.

21 If both husband and wife are employee-beneficiaries, the
22 total contribution by the State or county shall not exceed the

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1 monthly contribution for two supplemental medicare self or non-
2 medicare self plans, as appropriate."

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

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

6
7 INTRODUCED BY:  _____

8 BY REQUEST

9
JAN 23 2017

H.B. NO. 1068

Report Title:

Hawaii Employer-Union Health Benefits Trust Fund

Description:

Make housekeeping amendments.

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

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO THE STATE AND COUNTY CONTRIBUTIONS TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND.

PURPOSE: To make certain housekeeping amendments to the Hawaii Employer-Union Health Benefits Trust Fund statute.

MEANS: Amend sections 87A-34(a) and 87A-36(c), Hawaii Revised Statutes (HRS).

JUSTIFICATION: Act 36, Session Laws of Hawaii 2012, amended the definition of "employee" in section 87A-1, HRS, by removing "(B) A per diem employee", which resulted in the redesignation of the subparagraphs that followed. However, the reference to paragraph (1)(E) was not updated to paragraph (1)(D) in sections 87A-34(a) and 87A-36(c)(4) by Act 36, so this bill will update that reference.

Impact on the public: None.

Impact on the department and other agencies: None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.



DAVID Y. IGE
GOVERNOR

STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

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TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
ON HOUSE BILL NO. 1068

February 9, 2017
11:00 a.m.
Room 309

RELATING TO THE STATE AND COUNTY CONTRIBUTIONS TO THE HAWAII
EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Chair Johanson, Vice Chair Holt, and Members of the Committee:

The EUTF Board of Trustees strongly supports this Administration bill. This bill makes housekeeping amendments to Sections 87A-34(a) and 87A-36(c)(4), Hawaii Revised Statutes (HRS). Act 36, Session Laws of Hawaii 2012 amended the definition of “employee” in section 87A-1, HRS by removing “(B) A per diem employee”, which resulted in the redesignation of the subparagraphs that followed. However the reference to paragraph (1)(E) was not updated to (1)(D) in sections 87A-34(a) and 87A-36(c)(4), HRS. The definition of “Employee” in 87A-1, HRS states the following:

(1)(D) “A retired member of the employees’ retirement system; the county pension system; or the police, firefighters, or bandsmen pension system of the State or county;

EUTF’s Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

(1)(E) A salaried and full-time member of a board, commission, or agency
appointed by the governor or the mayor of a county; and...”

Sections 87A-34(a) and 87A-36(c)(4), HRS are referring to retirees as noted in
the section titles – 87A-34, HRS State and county contributions; retired employees with
fewer than ten years of service and 87A-36, HRS State and county contributions;
employees hired after June 30, 2001, and retired.

Thank you for the opportunity to testify.

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Late testimony