

HB 1178

RELATING TO SEPARATION BENEFITS.

LAB, FIN

HB1178



Submit Testimony

Measure Title: RELATING TO SEPARATION BENEFITS.

Report Title: Separation Benefits; Special Retirement Benefits; Hawaii Health Systems Corporation; Public Employees; Appropriation (\$)

Description: Appropriates funds for severance benefits and special retirement benefits for public employees affected by the privatization or closure of Hawaii health systems corporation facilities.

Companion:

Package: None

Current Referral: LAB, FIN

Introducer(s): JOHANSON, SAIKI

<u>Sort by Date</u>		Status Text
1/24/2017	H	Pending introduction.
1/25/2017	H	Pass First Reading
1/30/2017	H	Referred to LAB, FIN, referral sheet 6
2/6/2017	H	Bill scheduled to be heard by LAB on Thursday, 02-09-17 8:30AM 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.

A BILL FOR AN ACT

RELATING TO SEPARATION BENEFITS.

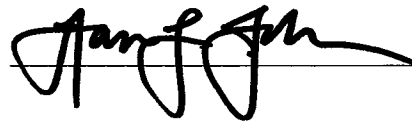
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so much
3 thereof as may be necessary for fiscal year 2017-2018 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2018-2019 for severance benefits and special retirement benefits
6 pursuant to chapter 89E, Hawaii Revised Statutes, for public
7 employees affected by the privatization or closure of Hawaii
8 health systems corporation facilities.

9 The sums appropriated shall be expended by the Hawaii
10 health systems corporation for the purposes of this Act.

11 SECTION 2. This Act shall take effect on July 1, 2017.
12

INTRODUCED BY:



JAN 24 2017



H.B. NO. 1178

Report Title:

Separation Benefits; Special Retirement Benefits; Hawaii Health Systems Corporation; Public Employees; Appropriation

Description:

Appropriates funds for severance benefits and special retirement benefits for public employees affected by the privatization or closure of Hawaii health systems corporation facilities.

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



DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
DIRECTOR

LAUREL A. JOHNSTON
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN COMMENTS
TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
ON
HOUSE BILL NO. 1178

February 9, 2017
8:30 a.m.
Room 309

RELATING TO SEPARATION BENEFITS

House Bill No. 1178 appropriates general funds for severance benefits and special retirement benefits pursuant to chapter 89E, Hawaii Revised Statutes, for public employees affected by the privatization or closure of Hawaii health systems corporation facilities. The appropriation is made to the Hawaii Health Systems Corporation.

The Department of Budget and Finance appreciates the intent of this measure. However, we support HB No. 1078, which is an administration measure that makes an appropriation for cost items being negotiated through collective bargaining supplemental agreements on behalf of affected Maui region hospital employees.

Thank you for your consideration of our comments.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Ninth Legislature, State of Hawaii
House of Representatives
Committee on Labor and Public Employment

Testimony by
Hawaii Government Employees Association

February 9, 2017

H.B. 1178 - RELATING TO SEPARATION BENEFITS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 1178 which appropriates funds for severance benefits and special retirement benefits for public employees who will be affected by the Maui Region of the Hawaii Health Systems Corporation privatization.

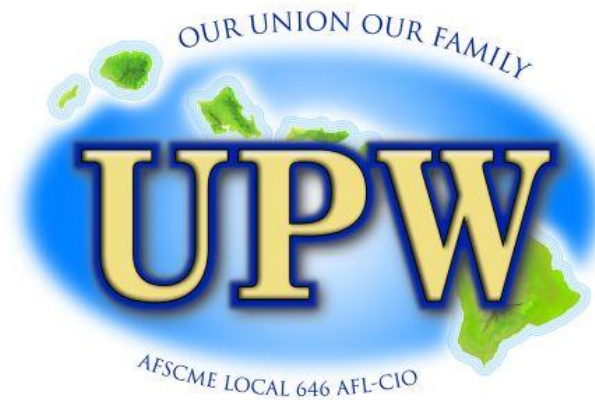
On July 20, 2016, the Legislature overrode the Governor's veto of S.B. 2077, which provided employees in the Maui Region of the HHSC the choice of a cash severance payment or special retirement benefits. Two weeks later, the Employees' Retirement System filed a lawsuit over the legislation's affect on the system's tax exempt status and the court granted a temporary stay on the implementation of Act 1, pending an opinion from the Internal Revenue Service.

The affected employees have been in limbo regarding their employment and retirement benefits for too long. The hospitals' transfer to Kaiser is slated to take effect on July 1, 2017 and employees deserve to know their full benefit package so that they can make the best decisions for themselves and their families. With over 2/3 support in both the House of Representatives and the Senate, the legislative intent to assist displaced employees is clear. This measure, along with other bills on this hearing agenda, serves as a conceptual vehicle to fully vet resolutions to the ERS' pending lawsuit.

Thank you for the opportunity to testify in strong support of passing H.B. 1178 to continue this important dialogue.

Respectfully submitted,

Randy Perreira
Executive Director



THE HAWAII STATE SENATE
The Twenty-Ninth Legislature
Regular Session of 2017

HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT(LAB)
The Honorable Representative Aaron Ling Johanson, Chair
The Honorable Representative Daniel K. Holt, Vice Chair

DATE OF HEARING: Thursday, February 9, 2017
TIME OF HEARING: 8:30 am
PLACE OF HEARING: State Capitol
415 South Beretania Street

TESTIMONY ON HOUSE BILL 1178: RELATING TO SEPARATION BENEFITS.

By DAYTON M. NAKANELUA,
State Director of the United Public Workers,
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive bargaining representative for approximately 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

HB 1178 appropriates funds for severance benefits and special retirement benefits for public employees affected by the privatization or closure of Hawaii Health Systems Corporation facilities.

The UPW supports this measure. Thank you for the opportunity to submit this testimony.

HB 1178

Late testimony

LATE**LATE****LATE****LATE TESTIMONY for Measure: HB 1178**

Committee	LAB
Committee Referrals	LAB
Date of Hearing	02-09-17
Organization	Employees' Retirement System
Name of Testifier	Thomas Williams
Job Title of Testifier	Director
Position – Circle One	Support / Oppose / Comments
Category – Circle One	Fed Govt. / State Govt. / County Govt. / Industry / Private
Notes:	Present