

STAND. COM. REP. NO.

378

Honolulu, Hawaii

February 14, 2019

RE: H.B. No. 1345  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1345 entitled:

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

begs leave to report as follows:

The purpose of this measure is to appropriate additional funds for the operations of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for each year of Fiscal Biennium (FB) 2019-2021 for:

- (1) A new benefits administration system, including three full-time equivalent (3.0 FTE) temporary positions for the system;
- (2) Fringe benefit rate increases for non-general-funded positions;
- (3) Salary adjustments due to conversion of exempt employees to civil service as authorized by Act 145, Session Laws of Hawaii 2017; and
- (4) One full-time equivalent (1.0 FTE) permanent compliance officer position.



The EUTF and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the funds in this measure for the EUTF are appropriated from EUTF Trust Fund reserves and not from general funds;
- (2) Amending the funds appropriated for the permanent compliance officer position to \$196,721 for each year of FB 2019-2021 to fully fund the position and to maximize the ability to hire for the position efficiently and well;
- (3) Changing the effective date to January 1, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1345, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1345, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,

  
AARON LING JOHANSON, Chair



