
A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND.

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

1 SECTION 1. The legislature finds that salaries for
2 executive personnel in the private sector far outpace that of
3 state employment, making attracting and retaining quality
4 managers difficult. This Act will allow the board of trustees
5 of the Hawaii employer-union health benefits trust fund to
6 establish salaries for the trust fund administrator and chief
7 investment officer that are commensurate with the private
8 sector. This amendment is modeled after the statutory wording
9 in section 88-29, Hawaii Revised Statutes, which provides the
10 board of trustees of the employees' retirement system the
11 similar powers.

12 The purpose of this Act is to enable the board of trustees
13 of the Hawaii employer-union health benefits trust fund to
14 recruit and retain the most qualified individuals to administer
15 the day-to-day activities of the trust fund by allowing the



1 board to establish appropriate salaries for upper-management
2 personnel.

3 SECTION 2. Section 87A-24, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§87A-24 Other powers. In addition to the power to
6 administer the fund, the board may:

- 7 (1) Collect, receive, deposit, and withdraw money on
8 behalf of the fund;
- 9 (2) Invest moneys in the same manner specified in section
10 88-119;
- 11 (3) Hold, purchase, sell, assign, transfer, or dispose of
12 any securities or other investments of the fund, as
13 well as the proceeds of those investments and any
14 money belonging to the fund;
- 15 (4) Appoint, and at pleasure dismiss, an administrator and
16 other fund staff. The administrator shall be exempt
17 from chapter 76. Other fund staff may be exempt from
18 chapter 76 as determined by the board. The
19 administrator and staff who are exempt from chapter 76
20 shall serve under and at the pleasure of the board;
21 provided that civil service exempt positions under



1 this section that are created after July 1, 2014,
2 shall be exempt from section 76-16(b)(17)(A); provided
3 further that the salaries of the administrator and
4 chief investment officer shall be set by the board;

- 5 (5) Make payments of periodic charges and pay for
6 reasonable expenses incurred in carrying out the
7 purposes of the fund;
- 8 (6) Contract for the performance of financial audits of
9 the fund and claims audits of its insurance carriers;
- 10 (7) Retain auditors, actuaries, investment firms and
11 managers, benefit plan consultants, or other
12 professional advisors to carry out the purposes of
13 this chapter;
- 14 (8) Establish health benefits plan and long-term care
15 benefits plan rates that include administrative and
16 other expenses necessary to effectuate the purposes of
17 the fund; and
- 18 (9) Require any department, agency, or employee of the
19 State or counties to furnish information to the board
20 to carry out the purposes of this chapter."

21 SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on January 1, 2050;
2 provided that the amendments made to section 87A-24, Hawaii
3 Revised Statutes, by section 2 of this Act shall not be repealed
4 when that section is reenacted on June 30, 2023, pursuant to
5 section 9 of Act 229, Session Laws of Hawaii, 2021.



Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Salary Determination

Description:

Enables the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to establish appropriate salaries for the Administrator and Chief Investment Officer of the trust fund. Effective 1/1/2050. (SD1)

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

