STAND. COM. REP. NO.

1811

Honolulu, Hawaii APR 1 3 2007

RE: S.C.R. No. 178

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.C.R. No. 178 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY ON THE IMPACT OF VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUSTS ON PUBLIC EMPLOYEES AND EMPLOYERS AND TO PROVIDE A BASIS FOR THE LEGISLATURE TO DECIDE WHETHER TO EXTEND ACT 245, SESSION LAWS OF HAWAII 2005,"

begs leave to report as follows:

The purpose of this measure is to request the Auditor to conduct a comprehensive study on the results and impact of Voluntary Employees' Beneficiary Association ("VEBA") Trusts on public employees and employers and to provide a basis for the Legislature to decide whether to extend Act 245, Session Laws of Hawaii 2005.

Your Committee received comments in support of the measure from the Department of Budget and Finance and the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that this measure provides a critical and missing component of Act 245, Session Laws of Hawaii 2005, which established the pilot Voluntary Employees' Beneficiary Association Trusts. An evaluation is needed to determine whether the pilot project has accomplished what its proponents have claimed it has and to determine the cost impact to the Hawaii Employer-Union Health Benefits Trust Fund as a whole and not on only a select group of plan participants.

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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 concurs with the intent and purpose of S.C.R. No. 178 and recommends its adoption.

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

ROSALYN H BAKER. Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:  JDL, WHM			Date: 4/11/07	
The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
TSUTSUI, Shan S. (VC)		/			
CHUN OAKLAND, Suzanne		/			
ENGLISH, J. Kalani					
FUKUNAGA, Carol		/			
HOOSER, Gary L.					
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					
TOTAL		6	0	0	5
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes