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REHOUSE OF REPRESENTATIVES

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| AMERENE MENTOLDICE | S.B. No. 2395, H.D. | 1, RELATING TO THE BUDGE | Т |
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| REPRESENTATIVES OFFERED BY: | Rep. K. | Mark Takai | |
| DATE: | April 6 | 2010 | |

SECTION 1. S.B. No. 2395, H.D. 1, RELATING TO THE BUDGET, is amended by amending section 1 to read as follows:

"SECTION 1. The legislature finds that the staff of the Hawaii employer-union health benefits trust fund is encountering difficulties performing its duties. The legislature believes that these difficulties are the result of an increased and more complex workload, shortage of personnel, and absence of board and administrative leadership.

The legislature further finds that the enabling law for the voluntary employees' beneficiary association trust, an alternative health-benefits system used by the employee organization for public school teachers, will sunset on July 1, 2010. The legislature declares that it does not intend to make the enabling law permanent or extend the sunset date for another pilot testing period.

Notwithstanding this intent, the legislature finds that the staff of the Hawaii employer-union health benefits trust fund

will experience extreme difficulty assisting in the transition of public school teachers and their dependents from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund on July 1, 2010, while continuing to perform its normal duties. The legislature does not want to place an excessive burden on the staff or cause uncertainty for these public school teachers and their dependents.

Thus, the purpose of this Act is to:

- (1) Extend the enabling law for the voluntary employees' beneficiary association trust for twelve months to provide for a smoother transition to the Hawaii employer-union health benefits trust fund;
- (2) Appropriate funds for five temporary positions to assist in the transition of public employees and their dependents from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund;
- (3) Appropriate funds for five permanent positions to assist in the performance of Hawaii employer-union health benefits trust fund duties; and
- (4) Appropriate funds to cover costs associated with the transition from the voluntary employees' beneficiary

association trust to the Hawaii employer-union health benefits trust fund."

SECTION 2. S.B. No. 2395, H.D. 1, RELATING TO THE BUDGET, is amended by amending section 2 to read as follows:

"SECTION 2. Act 245, Session Laws of Hawaii 2005, section 8, as amended by Act 294, Session Laws of Hawaii 2007, section 2, as amended by Act 16, Session Laws of Hawaii 2008, section 18, as amended by Act 5, First Special Session Laws of Hawaii 2008, section 1, is amended to read as follows:

"SECTION 8. This Act shall take effect upon its approval, for the purpose of establishing a voluntary employees' beneficiary association trust pilot program in March, 2006 and shall be repealed on [July 1, 2010;] June 30, 2011; provided that sections 89-2, 89-3, 89-6, and 89-9, Hawaii Revised Statutes, are reenacted in the form in which they read on the day before the effective date of this Act; and provided further that the amendments made to section 89-6, Hawaii Revised Statutes, by Act 202, Session Laws of Hawaii 2005, shall not be repealed when that section is reenacted on [July 1, 2009.] June 30, 2011.""

SECTION 3. S.B. No. 2395, H.D. 1, RELATING TO THE BUDGET, is amended by amending section 7 to read as follows:

"SECTION 7. This Act shall take effect on June 30, 2010."

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