STAND. COM. REP. NO. 112 -10

Honolulu, Hawaii , 2010 RE: S.B. No. 2395 S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2395, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE BUDGET,"

begs leave to report as follows:

The purpose of this bill is to improve government operations by:

- Establishing that the provisions of the budget act shall prevail over statutory law whenever they are in conflict;
- (2) Requiring the Governor to execute the provisions of the budget act; and
- (3) Requiring the Governor to report the actions taken to the Legislature within 30 days of the enactment of the budget act.

The Hawaii State Teachers Association and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in support of this bill. The Department of Budget and Finance and Department of the Attorney General opposed this measure.



Upon careful consideration, your Committee has amended this bill by replacing its contents with the provisions of H.B. No. 1287, H.D. 2, and making further changes. Specifically, this bill, as amended:

- (1) Extends the enabling law for the Voluntary Employees' Beneficiary Association Trust (VEBA) for six months to provide for a smoother transition to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF);
- (2) Appropriates \$232,542 for five temporary positions to assist in the transition of public employees and their dependents from VEBA to EUTF;
- (3) Appropriates \$244,359 for five permanent positions to assist in the performance of EUTF duties;
- (4) Appropriates \$223,099 for costs associated with the transition from VEBA to EUTF; and
- (5) Takes effect on July 1, 2010.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2395, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2395, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature

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## Record of Votes of the Committee on Finance

Bill/Resolution No.: SB2395, SD2	5, SD2 Committee Referral: FIN			Date: 3/31/10		
□ The committee is reconsidering its previous decision on the measure.						
The recommendation is to:       Pass, unamended (as is)       Pass, with amendments (HD)       Hold         Pass short form bill with HD to recommit for future public hearing (recommit)						
FIN Members		Ayes	Ayes (WR)	Nays	Excused	
1OSHIRO, Marcus R. (C)		2				
2. LEE, Marilyn B. (VC)		~	District of the second	2010/05/2010-0-1 - 2019/02/1	1999 1	
3. AQUINO, Henry J.C.					A state of the sta	
4. AWANA, Karen Leinani		V		· ·		
5. BROWER, Tom					And Andrewson an	
6. CHOY, Isaac W.	NATE IN DUITE HAR MARKEN AND AND AND AND AND AND AND AND AND AN	1.02.1210360000000000000000000000000000000000	<ul> <li>AC 200 AU 200 U DIMAN MO</li> </ul>	10.5-42 1.5	1999 S. C. CLUMPERSMAN, States	
7. COFFMAN, Denny						
8. HAR, Sharon E.						
9. KEITH-AGARAN, Gilbert	S.C.					
10. LEE, Chris						
11. NISHIMOTO, Scott Y.12. SAGUM, Roland D., III						
13. TOKIOKA, James Kunane						
14. WOOLEY, Jessica						
15. YAMASHITA, Kyle T.		A second se				
16. FINNEGAN, Lynn						
17 WARD, Gene						
TOTAL (17)	Adouted	16	0	0	1	
The recommendation is: Adopted If joint referral, did not support recommendation.						
Vice Chair's or designee's signature: B. Loe						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						