Honolulu, Hawaii

April 5, 2013

RE: S.

S.B. No. 946

S.D. 1 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 946, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RESOLVING THE UNFUNDED LIABILITIES OF THE STATE AND THE COUNTIES,"

begs leave to report as follows:

The purpose of this measure is to address the problem of the unfunded liabilities of the Hawaii Employer-Union Health Benefits Trust Fund by, among other things:

- (1) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Task Force to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund and requiring the Task Force to report its findings, recommendations, and implementing draft legislation to the Legislature prior to the Regular Session of 2014; and
- (2) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to more effectively manage the administration and financing of current and future employee-health-benefit obligations of the State and county governments.

RMA Sales and a concerned individual supported this measure. The Department of Budget and Finance, Department of Budget and Fiscal Services of the City and County of Honolulu, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, and Building Industry Association of Hawaii provided comments.

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. 946, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-seventh Legislature



Record of Votes of the Committee on Finance

| SB946 SD1 HD1 | LAB, FIN | Date: | 04/02/13 | |
|---|----------|-----------|--------------|---------|
| ☐ 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 |
| 1. LUKE, Sylvia (C) | 1/ | | | |
| 2. NISHIMOTO, Scott Y. (VC) | | | | |
| 3. JOHANSON, Aaron Ling (VC) | | | | |
| 4. CULLEN, Ty J.K. | | | | |
| 5. HASHEM, Mark J. | | | | |
| 6. ING, Kaniela | | | | |
| 7. JORDAN, Jo | | | | |
| 8. KOBAYASHI, Bertrand | | | | |
| 9. LOWEN, Nicole E. | | | | |
| 10. MORIKAWA, Dee | | // | | |
| 11. ONISHI, Richard H.K. | | | | |
| 12. TAKAYAMA, Gregg | | | | |
| 13. TOKIOKA, James Kunane | | | | |
| 14. WOODSON, Justin H. | | | | |
| 15. YAMASHITA, Kyle T. | | / | | |
| 16. FUKUMOTO, Beth | | | | |
| 17. WARD, Gene | | | | |
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| TOTAL (17) | 6 | 4 | 2 | 2 |
| The recommendation is: Adopted Not Adopted | | | | |
| If joint referral, did not support recommendation committee acronym(s) | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO | | | | |