STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 0 4 2015

RE: S.B. No. 249 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 249 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYER-UNION HEALTH BENEFITS,"

begs leave to report as follows:

The purpose and intent of this measure is to require, beginning with fiscal year 2016-2017, reimbursements from a nongeneral or federal fund to the general fund for the annual required contribution made for state employees or retirees whose compensation is or was paid from the non-general or federal fund.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii System.

Your Committee notes that upon questioning from the Chair, the Director of Finance expressed concern that this measure may hamper the timeliness of reimbursements that is currently done on a monthly basis. Further, the State has obtained approval for a fringe benefit rate for calculating other post-employment benefit reimbursements from the federal government, so requiring the Director to establish a formula for reimbursements may actually hamper that process. Your Committee encourages your Committee on Ways and Means to give consideration to whether this measure would hamper the process for reimbursement currently in place if it chooses to schedule this measure for a hearing.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 249, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

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GILBERT S.C. KEITH-AGALAN Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee	Referral:	Dat	e: /	1	
SB 249	JE	L, WAM		1/29/	15	
The Committee is reco	nsidering its	previous de	ecision on thi	s measure.		
If so, then the previous de	ecision was to	:		· · · · · · · · · · · · · · · · · · ·		
The Recommendation is:						
Pass, unamended 2312		th amendm 311		old F 10	Recommit 2313	
Members		Aye	Aye (WR)	Nay	Excused	
KEITH-AGARAN, Gilbert S.C. (C)						
SHIMABUKURO, Maile S.L. (VC)						
ESPERO, Will		/				
GABBARD, Mike					V	
IHARA, Jr., Les					/	
THIELEN, Laura H.		V				
SLOM, Sam	\sim	No Mar				
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TOTAL		4		0	2	
Recommendation: Adopted		,	Not Adopted			
Chair's or Designee's Signatur	re: ///	Mahli	./		<u>.</u>	
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^{*}Only one measure per Record of Votes