STAND. COM. REP. NO. 219 Honolulu, Hawaii

FEB 1 1 2016

RE: S.B. No. 2838

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regulár Session of 2016 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2838 entitled:

"A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Hawaii Employer-Union Health Benefits Trust Fund to invest in the same asset classes as the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the Other Post-Employment Benefits Trust Fund ("OPEB Trust Fund") was established to receive employer contributions to prefund retirees' post-employment health and benefit plan costs. The OPEB Trust Fund, required to be prefunded, has increased from \$314,800,000 on June 30, 2013, to \$1,000,000,000 on December 31, 2015, and is expected to increase to \$7,400,000,000 within the next ten years. Implementation of this measure will allow the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees to take advantage of investment opportunities in certain types of assets in order to maximize returns on investments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report,



STAND. COM. REP. NO. 2119 Page 2

your Committee is in accord with the intent and purpose of S.B. No. 2838 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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

con s.c. Kith. GILBERT S.C. KEITH AN, Chair

## The Senate Twenty-Eighth Legislature State of Hawai'i

## Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral: Date:			,	
SB 2038	JDL,	WAT	1	2/57	16
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
KEITH-AGARAN, Gilbert S.C. (C)					
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike					
KIM, Donna Mercado					
THIELEN, Laura H.					
SLOM, Sam					
		<u> </u>			
					ļ
					<u> </u>
				. <u> </u>	·
·		<u> </u>		<u> </u>	
		<u> </u>			
		 			<u> </u>
······································					
TOTAL		6			
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow eport Clerk's Office		Pink Goldenrod Drafting Agency Committee File Copy		

\*Only one measure per Record of Votes