



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Eighth Legislature, State of Hawaii
The Senate
Committee on Ways and Means

Testimony by
Hawaii Government Employees Association

February 29, 2016

S.B. 2556 – MAKING AN APPROPRIATION FOR
THE ANNUAL REQUIRED CONTRIBUTION FOR
THE HAWAII EMPLOYER-UNION HEALTH
BENEFITS TRUST FUND

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, opposes S.B. 2556, which makes an additional appropriation for the payment for the annual required contribution for the Hawaii Employer-Union Health Benefits Trust Fund (EUTF).

Although the current appropriation amount in S.B. 2556 is blanked out, we respectfully argue that the regimented payment structure as delineated in Act 268, Session Laws of Hawaii 2013, which requires each public employer to contribute 60% of the annual required contribution (ARC) for fiscal year 2016, is prudent policy that was rigorously vetted and should be followed. Making supplemental appropriations upward of hundreds of millions of dollars to address the ARC is overkill and at the direct expense of funding a myriad of much needed state programs, such as homelessness, education, and infrastructure. Instead of permanently obligating hundreds of millions of general fund dollars into an irrevocable trust fund, our state budget must be nimble to meet critical needs now.

We respectfully request the Committee defer action on this measure.

Respectfully submitted,

Randy Perreira
Executive Director