STAND. COM. REP. NO.

452-20

Honolulu, Hawaii

, 2020

FEB 13

RE: H.B. No. 1700

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1700 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require each Hawaii Employer-Union Health Benefits Trust Fund (EUTF) trustee, in addition to the EUTF Board, to administer health and other benefit plans for the sole and exclusive benefit of EUTF beneficiaries; and
- (2) Repeals provisions requiring health and other benefit plans to be provided at an affordable cost to public employers and public employees.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee finds that based on the discussion at the public hearing on this measure, one of the main concerns is

HB1700 HD1 HSCR LAB HMS 2020-0745-1

conflicting statutory duties of the EUTF trustees and whether their respective duties are to the trust in a fiduciary capacity or to the trust's beneficiaries.

Your Committee has amended this measure by changing its effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1700, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1700, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

AARON LYNE JOHANSON, Chair

State of Hawaii

House of Representatives The THIRTIETH Legislature House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 1700	Committee Referral:	Date:	2-4-	20
☐ 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)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)				
2. ELI, Stacelynn K.M. (VC)				
3. ICHIYAMA, Linda				
3. ICHIYAMA, Linda				
4. KITAGAWA, Lisa				<u>lki, selwittet</u>
5. McKELVEY, Angus L.K.		Activities and a section of the Section 1 and a section 1 and 1 an		
6. QUINLAN, Sean			· 700-808474455574451-10	
NAME OF THE PARTY				
7. YAMASHITA, Kyle T.				
8. MATSUMOTO, Lauren				
				·
TOTAL (8)	7		-200	
	If joint referral, did not support recommendation.			
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				