H.B. NO. 2276 H.D. 1

A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
INVESTMENT OFFICE STAFF SALARIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that salaries for

2 investment professionals in the private sector far outpace those

3 offered in state employment, making it difficult to attract and

4 retain qualified investment staff. The legislature further

5 finds that, in order for the board of trustees of the Hawaii

6 employer-union health benefits trust fund to effectively recruit

7 and retain the most capable individuals to invest and manage its

8 $9,500,000,000 investment portfolio, the board should be allowed

9 to establish appropriate salaries for the trust fund's

10 investment office staff.

11 Accordingly, the purpose of this Act is to authorize the

12 board of trustees of the Hawaii employer-union health benefits

13 trust fund to establish salaries for the trust fund investment

14 office personnel that are commensurate with the private sector.

15 SECTION 2. Section 87A-24, Hawaii Revised Statutes, is

16 amended to read as follows:

1   "§87A-24 **Other powers.** In addition to the power to

2   administer the fund, the board may:

3   (1)   Collect, receive, deposit, and withdraw money on

4   behalf of the fund;

5   (2)   Invest moneys in the same manner specified in section

6   88-119;

7   (3)   Hold, purchase, sell, assign, transfer, or dispose of

8   any securities or other investments of the fund, as

9   well as the proceeds of those investments and any

10   money belonging to the fund;

11   (4)   Appoint, and at pleasure dismiss, an administrator and

12   other fund staff. The administrator shall be exempt

13   from chapter 76. Other fund staff may be exempt from

14   chapter 76 as determined by the board. The

15   administrator and staff who are exempt from chapter 76

16   shall serve under and at the pleasure of the board;

17   provided that civil service exempt positions under

18   this section that are created after July 1, 2014,

19   shall be exempt from section 76-16(b)(17)(A); provided

20   further that the salaries of the administrator [and],

1   chief investment officer, investment officers, and

2   investment analysts shall be set by the board;

3   (5) Make payments of periodic charges and pay for

4   reasonable expenses incurred in carrying out the

5   purposes of the fund;

6   (6) Contract for the performance of financial audits of

7   the fund and claims audits of its insurance carriers;

8   (7) Retain auditors, actuaries, investment firms and

9   managers, benefit plan consultants, or other

10   professional advisors to carry out the purposes of

11   this chapter, including the retaining of an actuary to

12   determine the annual required public employer

13   contribution for the separate trust fund established

14   under section 87A-42;

15   (8) Establish health benefits plan and long-term care

16   benefits plan rates that include administrative and

17   other expenses necessary to effectuate the purposes of

18   the fund; and

19   (9) Require any department, agency, or employee of the

20   State or counties to furnish information to the board

21   to carry out the purposes of this chapter."

1   SECTION 3. Statutory material to be repealed is bracketed

2 and stricken. New statutory material is underscored.

3   SECTION 4. This Act shall take effect on July 1, 3000.

Report Title:
Hawaii Employer-Union Health Benefits Trust Fund; Investment Office Staff Salary Determination

Description:
Enables the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to establish appropriate salaries for the investment office staff of the Trust Fund. Effective 7/1/3000. (HD1)

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