

A Bill for an Act Relating to the Budget.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the staff of the Hawaii employer-union health benefits trust fund is encountering difficulties performing its duties. The legislature believes that these difficulties are the result of an increased and more complex workload, shortage of personnel, and absence of board and administrative leadership.

The legislature further finds that the enabling law for the voluntary employees' beneficiary association trust, an alternative health-benefits system used by the employee organization for public school teachers, will sunset on July 1, 2010. The legislature declares that it does not intend to make the enabling law permanent or extend the sunset date for another pilot testing period.

Notwithstanding this intent, the legislature finds that the staff of the Hawaii employer-union health benefits trust fund will experience extreme difficulty assisting in the transition of public school teachers and their dependents from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund on July 1, 2010, while continuing to perform its normal duties. The legislature does not want to place an excessive burden on the staff or cause uncertainty for these public school teachers and their dependents.

Thus, the purpose of this Act is to:

- (1) Extend the enabling law for the voluntary employees' beneficiary association trust for six months to provide for a smoother transition to the Hawaii employer-union health benefits trust fund;
- (2) Appropriate funds for five temporary positions to assist in the transition of public employees and their dependents from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund;
- (3) Appropriate funds for five permanent positions to assist in the performance of Hawaii employer-union health benefits trust fund duties; and
- (4) Appropriate funds to cover costs associated with the transition from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund.

SECTION 2. Act 245, Session Laws of Hawaii 2005, section 8, as amended by Act 294, Session Laws of Hawaii 2007, section 2, as amended by Act 16, Session Laws of Hawaii 2008, section 18, as amended by Act 5, First Special Session Laws of Hawaii 2008, section 1, is amended to read as follows:

"SECTION 8. This Act shall take effect upon its approval, for the purpose of establishing a voluntary employees' beneficiary association trust pilot program in March, 2006 and shall be repealed on ~~[July 1,]~~ December 31, 2010; provided that sections 89-2, 89-3, 89-6, and 89-9, Hawaii Revised Statutes, are reenacted in the form in which they read on the day before the effective date of this Act; and provided further that the amendments made to section 89-6, Hawaii Revised Statutes, by Act 202, Session Laws of Hawaii 2005, shall not be repealed when that section is reenacted on ~~[July 1, 2009.]~~ December 31, 2010."

SECTION 3. There is appropriated out of the Hawaii employer-union health benefits trust fund of the State of Hawaii the sum of \$232,542 or so much thereof as may be necessary for fiscal year 2010-2011 for five temporary

positions under the Hawaii employer-union health benefits trust fund to assist in the transition of public employees and their dependents from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund on January 1, 2011.

The sum appropriated shall be expended by the Hawaii employer-union health benefits trust fund for the purposes of this Act.

SECTION 4. There is appropriated out of the Hawaii employer-union health benefits trust fund of the State of Hawaii the sum of \$244,359 or so much thereof as may be necessary for fiscal year 2010-2011 for five permanent positions under the Hawaii employer-union health benefits trust fund to assist in the performance of duties of the trust fund.

The sum appropriated shall be expended by the Hawaii employer-union health benefits trust fund for the purposes of this Act.

SECTION 5. There is appropriated out of the Hawaii employer-union health benefits trust fund of the State of Hawaii the sum of \$223,099 or so much thereof as may be necessary for fiscal year 2010-2011 for costs associated with the transition from the voluntary employees' beneficiary association trust to the Hawaii employer-union health benefits trust fund.

The sum appropriated shall be expended by the Hawaii employer-union health benefits trust fund for the purposes of this Act.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on June 29, 2010.

(Approved May 13, 2010.)