

Honolulu, Hawaii

April 25, 2008

RE: S.B. No. 2262
S.D. 1
H.D. 2
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2262, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to extend the sunset date of the Voluntary Employees' Beneficiary Association Trust pilot program, and to make clarifying amendments to Act 245, Session Laws of Hawaii (SLH) 2005, relating to voluntary employees' beneficiary association trusts.

Your Committee on Conference finds that before the Legislature makes amendments to Act 245, SLH 2005, an actuarial and managerial audit is needed of the Hawaii Employer-Union Health Benefits Trust Fund and of the Hawaii State Teachers Association Voluntary Employees' Beneficiary Association Trust.



Accordingly, your Committee on Conference has amended this measure by:

- (1) Deleting its contents;
- (2) Changing the sunset date of Act 245 to July 1, 2010;
- (3) Directing the State Auditor, in conjunction with the independent financial auditor retained by the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund, to conduct financial and managerial audits of the Hawaii Employer-Union Health Benefits Trust Fund; and
- (4) Based on the findings of the foregoing audit, directing the State Auditor to make findings and recommendations concerning:
 - (A) The benefit cost for each benefit plan and administrative cost for the Hawaii Employer-Union Health Benefit Trust Fund for specific plan years; and
 - (B) The Hawaii State Teachers Association Voluntary Employees' Beneficiary Association Trust for specific plan years.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2262, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2262, S.D. 1, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

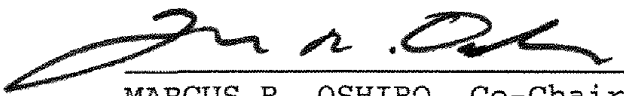
ON THE PART OF THE SENATE



ALEX M. SONSON, Co-Chair



BRIAN T. TANIGUCHI, Chair



MARCUS R. OSHIRO, Co-Chair



ROSALYN H. BAKER, Co-Chair



