
A BILL FOR AN ACT

RELATING TO UNCLAIMED PROPERTY OF THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND.

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

1 SECTION 1. The legislature finds that the Hawaii employer-
2 union health benefits trust fund (EUTF) currently does not have
3 a means to void claims for insignificant amounts of unclaimed
4 property after a sufficient time period has passed. As a
5 covered entity under the federal Health Insurance Portability
6 and Accountability Act of 1996, the EUTF is precluded from
7 submitting unclaimed property to the department of budget and
8 finance unclaimed property program. Under section 523A-19(c),
9 Hawaii Revised Statutes, the state unclaimed property program
10 voids claims for unclaimed property if the claim is for less
11 than \$100 and filed more than ten years after the date that the
12 full amount of the claim was deposited in the unclaimed property
13 trust fund.

14 The purpose of this Act is to provide a means for the EUTF
15 to void claims for reimbursement of medicare part B premiums or
16 any other debt payable that totals less than \$500 and is older
17 than ten years.



1 SECTION 2. Section 87A-31, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§87A-31 Trust fund; purpose.** (a) The fund shall be used
4 to provide employee-beneficiaries and dependent-beneficiaries
5 with health and other benefit plans, and to pay administrative
6 and other expenses of the fund. All assets of the fund are and
7 shall be dedicated to providing health and other benefits plans
8 to the employee-beneficiaries and dependent-beneficiaries in
9 accordance with the terms of those plans and to pay
10 administrative and other expenses of the fund, and shall be used
11 for no other purposes except for those set forth in this
12 section.

13 (b) The fund, including any earnings on investments, and
14 rate credits or reimbursements from any carrier or self-insured
15 plan and any earning or interest derived therefrom, may be used
16 to stabilize health and other benefit plan rates; provided that
17 the approval of the governor and the legislature shall be
18 necessary to fund administrative and other expenses necessary to
19 effectuate these purposes.

20 (c) The fund may be used to provide group life insurance
21 benefits to employees to the extent that contributions are



1 provided for group life insurance benefits in sections 87A-32
2 and 87A-37.

3 (d) The fund may assist the State and the counties to
4 implement and administer cafeteria plans authorized under Title
5 26 United States Code section 125, the Internal Revenue Code of
6 1986, as amended, and section 78-30.

7 (e) At the discretion of the board, some or all of the
8 fund may be used as a reserve against or to pay the fund's
9 future costs of providing health and other benefits plans
10 established under sections 87A-23 and 87A-37 and any other
11 benefits plans the board establishes for retired employees and
12 their beneficiaries. The board may create separate funds within
13 the fund for this purpose. Each separate fund shall be subject
14 to all of the provisions of this chapter.

15 (f) If after commencing the reimbursement of medicare part
16 B premiums in section 87A-23, or any other debt payable under
17 this chapter, the fund cannot locate the employee-beneficiary or
18 other person or entity entitled to payment, further payment
19 shall be forfeited to the fund if the total amount is less than
20 \$500 and shall not escheat under the laws of any state; provided
21 that the forfeited payment shall be restored if the employee-



1 beneficiary, or other person or entity entitled to the forfeited
2 payment makes a proper application to the fund for restoration
3 of the benefit no later than ten years following the last valid
4 reimbursement or payment. All applications for restoration of a
5 forfeited benefit or payment shall be in a form satisfactory to
6 the fund. For forfeited benefits or payments in existence on
7 June 30, 2017, the ten-year time limitation on claiming the
8 benefits or payments shall commence on July 1, 2017."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2017.



Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Forfeiture

Description:

Provides a means for the EUTF to void claims for reimbursement of medicare part B premiums or any other debt payable that totals less than \$500 and is older than ten years. (CD1)

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