

Honolulu, Hawaii

FEB 09 2018

RE: S.B. No. 2761
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Labor, to which was referred S.B. No. 2761
entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the definition of "dependent-beneficiary" under the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) to clarify eligibility of children for participation in fund benefit plans; and
- (2) Conform the definition of "dependent-beneficiary" to the federal Patient Protection and Affordable Care Act of 2010.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund and University of Hawaii Professional Assembly.

Your Committee finds that the existing definition of "dependent-beneficiary" in section 87A-1, Hawaii Revised Statutes, allows for a child born to or adopted by an employee's or retiree's surviving spouse after the death of the employee or



retiree to receive EUTF benefits. Your Committee finds that EUTF benefits should only cover natural or adopted children of a deceased state employee or retiree. Your Committee also finds that it is important for EUTF definitions to be consistent with existing federal law.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2761, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2761, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor,



JILL M. TOKUDA, Chair



