

Honolulu, Hawaii

JUN 24 , 2020

RE: S.B. No. 2866
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2866, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND EMPLOYEE-BENEFICIARY MONTHLY CONTRIBUTIONS,"

begs leave to report as follows:

The purpose of this measure is to require newly retired employees and their surviving employee-beneficiaries to:

- (1) Pay their share of health benefits premiums through monthly electronic deductions from the Employees' Retirement System (ERS) pension or their financial institution; and
- (2) Pay monthly contributions not electronically withheld, deducted, or transmitted, directly to the ERS Fund by the first day of each month

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

Your Committee finds that payment from retired employees and surviving employee-beneficiaries for their share of health



benefits premiums through monthly electronic deductions from their ERS pension or financial institution, as opposed to checks, improves operational efficiency, reduces banking fees, and ensures that retired employees and surviving employee-beneficiaries do not miss any monthly payments and possibly lose their health benefits.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2866, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2866, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,


AARON LING JOHANSON, Chair



