

STAND. COM. REP. NO.

684

Honolulu, Hawaii

MAR 04 2021

RE: S.B. No. 675
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 675, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the definition of "employee-beneficiary" of the Hawaii Employer-Union Benefits Trust Fund to include the surviving unmarried adult child of a deceased retired member, provided that the child is incapable of self-support due to a mental or physical incapacity, which existed prior to the unmarried child's reaching the age of majority.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Director of Budget and Finance and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that there is no survivor benefit coverage in the health benefits plan or long-term care for the disabled adult child of an employee who has dedicated their life to public service. Therefore, under current law, disabled adult children lose their health benefits upon the death of the retired member. Your Committee further finds that currently there are four hundred twelve such dependents on the Hawaii Employer-Union



Health Benefits Trust Fund health plans incapable of self-support because of a mental or physical incapacity. The average age of these currently enrolled dependents is forty and the average age of the subscriber is seventy-three, and the estimated annual premiums for one such dependent are \$6,364. Therefore, your Committee finds that this measure is necessary to provide continued health benefit coverage to surviving children with mental or physical incapacity when the retiree and the retiree's spouse are no longer living or eligible.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 675, S.D. 1, and recommends that it pass Third Reading.

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



KARL RHOADS, Chair



