

Honolulu, Hawaii
FEB 14 , 2022

RE: H.B. No. 2103
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 2103 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND SPOUSAL MEDICARE PART B PREMIUM REIMBURSEMENT,"

begs leave to report as follows:

The purpose of this measure is to eliminate Medicare part B premium reimbursement by the State and counties for the spouses of retired employees hired after June 30, 2022.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees. Your Committee received comments on this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that this measure is a cost-containment proposal that does not impact current retirees, vested former employees, and current employees. The Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees estimates this change would save the State \$1,200,000,000 over the next thirty years in lower annual required contributions.

Your Committee has amended this measure by:



- (1) Changing the effective date to December 25, 2040, to encourage further discussion; and
- (2) 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 & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2103, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2103, H.D. 1, and be referred to your Committee on Finance.

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



RICHARD H.K. ONISHI, Chair



