

Honolulu, Hawaii

FEB 01 , 2024RE: H.B. No. 1639
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Labor & Government Operations, to which was referred H.B. No. 1639 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND BASE COMPOSITE MONTHLY CONTRIBUTION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Effective January 1, 2025, increase the employer base composite monthly contribution by 5.2 percent; and
- (2) Effective January 1, 2026, provide that the employer base composite monthly contribution will be based on the change in Medicare Part B premiums from 2024 to 2025 and at a two-year lag thereafter.

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

Your Committee finds that the State and counties' contribution to retiree health care benefits is based on a percentage of the base composite monthly contribution, which changes each calendar year based on the change in Medicare Part B

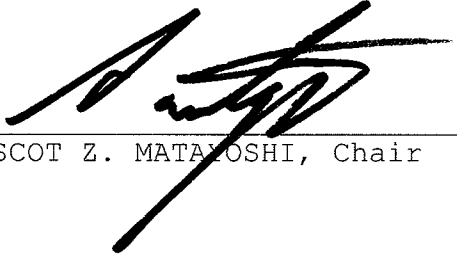


premiums. This measure addresses a timing issue and ensures that retirees are aware of the State and counties' contribution to their retiree health care premiums during open enrollment.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1639, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1639, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Government
Operations,


SCOT Z. MATAYOSHI, Chair



