

ACT 101

S. B. NO. 1972-72

A Bill for an Act Relating to Public Employment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 87-1, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 87-1 Definitions. As used in this chapter:

- (1) “Board” means the board of trustees as described in section 87-11;
- (2) “Carrier” means a voluntary association, corporation, partnership, or organization engaged in providing, paying for, arranging for, or reimbursing the cost of health services under group insurance contract or medical, hospital, or dental services agreements;
- (3) “Contributions” means money payments made to the fund by the State or the several counties or an employee-beneficiary;
- (4) “Dependent-beneficiary” means the spouse and legal children of an employee-beneficiary deemed eligible by the board to receive health or dental services of a health benefits plan;
- (5) “Employee” means an employee or officer of the state or county government,
 - (A) Including:
 - (i) A regularly employed member of the faculty of the University of Hawaii, including a research worker, an extension agent, or a person engaged in instructional or administrative work of the University;
 - (ii) A regularly employed administrative officer, principal, vice-principal, teacher, special teacher, cafeteria manager, or cafeteria worker of the public schools;

- (iii) An apprentice or on-the-job trainee whether or not supported by any federal grant;
 - (iv) An elective officer including a member of the legislature during his term of office, or a person who has served as a member of the legislature for at least a total of ten years;
 - (v) A probationary employee;
 - (vi) A per diem employee;
 - (vii) An officer or employee under an authorized leave of absence; or
 - (viii) An employee of the Hawaii national guard although paid from federal funds;
 - (ix) A retired member of the employees retirement system, the county pension system or the police, firemen, or bandsmen pension system of the State or county;
- (B) But excluding:
- (i) A designated beneficiary of a retired member of the employees retirement system, the county pension system or the police, firemen, or bandsmen pension system of the State or county;
 - (ii) A person employed temporarily on a fee or contract basis;
 - (iii) A person hired on a part-time, limited-term, or provisional basis;
 - (iv) A member of a board, commission, or agency appointed by the governor, or mayor or chairman of the State or county, respectively; and
 - (v) An employee of the legislature other than a member of the permanent staff;
- (6) "Employee-beneficiary" means an employee or the beneficiary of a retired member of the employees retirement system, a county pension system, or a police, firemen, and bandsmen pension system of the State or county upon the death of the retired member as long as the beneficiary receives a monthly benefit from any such system and, if a child, does not marry, or if a widow, does not remarry; provided that (A) the deceased retired member was enrolled in a family plan at the time of his death, and (B) the beneficiary was covered as a family member under the enrollment of the deceased retired member at the time of his death; and provided further that for the purposes of this subsection, "family member" means the deceased retired member's spouse and unmarried child under the age of nineteen years (including a legally adopted child and a stepchild or recognized natural child who lives with the deceased retired member in a regular parent-child relationship), or unmarried child regardless of age who is incapable of self-support because of a mental or physical incapacity which existed prior to his reaching the age of nineteen years; and provided further that the employee or beneficiary of the deceased retired member is deemed eligible by the board to receive health or dental services of a health benefits plan;

- (7) "Fund" means the trust fund as described in section 87-2;
- (8) "Health benefits plan" means (A) a group insurance contract or medical, hospital, or dental service agreement in which a carrier agrees to provide, pay for, arrange for or reimburse the cost of health or dental services as determined by the board or (B) a similar schedule of benefits established by the board and provided through the fund on a noninsured basis;
- (9) "Periodic charge" means the periodic payment by the board to a carrier for any health benefits plan; and
- (10) "Trustee" means a trustee of the board of trustees as described in section 87-11."

SECTION 2. Section 87-4, Hawaii Revised Statutes, is amended to read as follows:

Sec. 87-4 State and county contributions to the fund. The State through the department of budget and finance and the several counties through their respective departments of finance shall pay to the fund a monthly contribution of \$5 for each of their respective employee-beneficiaries and \$15 for each respective employee-beneficiary with a dependent-beneficiary, such contributions to be used towards the payment of costs of hospital, medical, and surgical benefits of a health benefits plan, provided, that the monthly contribution shall not exceed the actual cost of a health benefits plan. If both husband and wife are employee-beneficiaries, the total contribution by the State or the appropriate county shall be \$15 for both of them.

The State or the appropriate county shall make a monthly contribution of \$1.76 for each child who has not attained the age of nineteen of all employee-beneficiaries who are enrolled for dental benefits. The contributions shall be used towards the payment of costs of dental benefits of a health benefits plan. Notwithstanding any provisions to the contrary, no part of the fund shall be used to finance the contributions except a rate credit or reimbursement or earnings or interest therefrom received by the fund or general revenues appropriated for that purpose.

The State through the department of budget and finance and the several counties through their respective departments of finance shall pay to the fund a monthly contribution of \$2.25 for each of their respective employees to be used towards the payment of group life insurance benefits for each employee.

The contributions shall not be considered as wages or salary of an employee-beneficiary, and no employee-beneficiary shall have any vested right in or be entitled to receive any part of any contribution made to the fund."

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 4. This Act shall take effect upon the first day of the third month after its approval.

(Approved May 22, 1972.)

*Edited accordingly.