H.B. NO. (409

A BILL FOR AN ACT

RELATING TO EMPLOYEE BENEFITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that in 2020, one in ten babies (or ten per cent of live births) was born preterm in the State, meaning that those births occurred before thirty-seven completed weeks of gestation. The legislature also finds that approximately 1.6 per cent of live births in the State are "very preterm", denoting that the babies were born before thirty-two completed weeks of gestation.

8 The legislature further finds that these preterm and very 9 preterm babies spend weeks or months in neonatal intensive care 10 units (NICU), requiring their parents to also spend weeks or 11 months at the NICU in support of their babies' care. Research 12 published in 2015 in the medical journal Pediatrics shows that 13 parental "kangaroo care", meaning continual skin-to-skin 14 contact, reduces infant mortality by thirty-six per cent, lowers 15 risk of sepsis or major infection by forty-seven per cent, and 16 reduces the length of stay in the NICU by up to one week. 17 Additional benefits include better neurological development of

2023-0070 HB SMA-1.docx

Page 2

1 the baby, reduced depression for the mother, and a fifty per
2 cent increase in the likelihood of exclusive breastfeeding after
3 discharge, which itself has well-known and unique benefits for
4 child health and development. For babies in the NICU, it is
5 vitally important that mothers continually express breast milk
6 for them, which requires up to an hour of pumping every few
7 hours throughout the day and night.

8 The legislature also finds that 'Oahu has the only high-risk 9 NICU in the State, resulting in parents from other islands being 10 forced to relocate at significant disruption and expense for an 11 extended period of time. Even for parents on 'Oahu, it is nearly 12 impossible to maintain full time employment when they are 13 constantly caring for their babies in the NICU. Added to this 14 time, expense, and stress, parents caring for their NICU child 15 may not necessarily qualify for financial assistance through 16 temporary disability insurance or protection from job loss under 17 the federal Family and Medical Leave Act. When parents do 18 qualify, they often use a large proportion of their family leave 19 while their baby is in the NICU, and often feel financial 20 pressure to return to work when their babies are still very young, which deprives both the babies and parents of early 21

2023-0070 HB SMA-1.docx

Page 3

H.B. NO. 1409

bonding that is an important factor in child development and long-term outcomes. Some parents return to work while their babies are still in the NICU to preserve and use their family leave upon their babies' discharge. Furthermore, many parents are advised not to enroll their babies in childcare upon discharge from the NICU due to concerns of infection, which further interferes with their planned return to work.

8 The legislature additionally finds that according to the 9 State Health Planning and Development Agency's 2020 Health Care 10 Utilization Report, the cost of an average NICU stay is between 11 \$7,700 to \$8,500 per day in Hawai'i. Thus, the cost of a twelve-12 week NICU stay could easily exceed \$650,000. Reducing a NICU 13 stay by one week could save an average of \$57,000 per baby. 14 Furthermore, the cost of temporary disability insurance for 15 twelve weeks for two parents is less than \$40,000.

16 Accordingly, the purpose of this Act is to:

17 (1) Expand the State's temporary disability insurance
18 coverage to, and exempt from temporary disability
19 benefit eligibility requirements that are employment20 related, employees who are unable to perform their
21 employment duties due to the employee's giving of



1 birth to a child or provision of kangaroo care to, or 2 expression of breast milk for, the employee's child 3 who is required to stay in a neonatal intensive care 4 unit; and 5 (2)Extend, under certain conditions, the temporary 6 disability benefit payment period and family leave 7 period for employees who are unable to perform their 8 employment duties due to: 9 (A) Preterm birth of a child who is required to stay 10 in a neonatal intensive care unit; or 11 Birth of a child who is required to stay in a (B) neonatal intensive care unit for more than eight 12 13 weeks. 14 SECTION 2. Section 392-3, Hawaii Revised Statutes, is 15 amended as follows: 16 1. By adding a new definition to be appropriately inserted 17 and to read: ""Kangaroo care" means a technique of newborn care where 18 19 the baby is kept chest-to-chest and skin-to-skin with a parent." 20 2. By amending the definition of "disability" to read: 21 ""Disability" means total inability of an employee to



Page 5

1 perform the duties of the employee's employment caused by 2 [sickness,]: Sickness, pregnancy, termination of pregnancy, organ 3 (1) donation, or accident other than a work injury as 4 5 [defined] specified in section 386-3[-]; 6 (2) The employee's giving birth to a child; or 7 The employee's provision of kangaroo care to, or (3) 8 expression of breast milk for, the employee's child 9 who is required to stay in a neonatal intensive care 10 unit." 11 SECTION 3. Section 392-21, Hawaii Revised Statutes, is 12 amended by amending subsection (a) to read as follows: 13 "(a) Any individual in current employment who suffers 14 disability resulting from [accident,]: 15 (1) Accident, sickness, pregnancy, termination of 16 pregnancy, or organ donation, except accident or 17 disease connected with or resulting from employment as 18 [defined] specified in section 386-3 or any other applicable workers' compensation $law[\tau]$ 19 (2) Giving birth to a child; or 20



Page 6

| 1 | (3) Providing kangaroo care to, or expressing breast milk |
|----|--|
| 2 | for, the individual's child who is required to stay in |
| 3 | a neonatal intensive care unit, |
| 4 | shall be entitled to receive temporary disability benefits in |
| 5 | the amount and manner provided in this chapter." |
| 6 | SECTION 4. Section 392-23, Hawaii Revised Statutes, is |
| 7 | amended to read as follows: |
| 8 | "[+]§392-23[+] Duration of benefit payments. (a) |
| 9 | Temporary disability benefits shall be payable for any period of |
| 10 | disability following the expiration of the waiting period |
| 11 | required in section 392-24. |
| 12 | (b) The duration of benefit payments shall not exceed |
| 13 | twenty-six weeks for any period of disability or during any |
| 14 | benefit year $[-]$; provided that any employee who suffers from |
| 15 | disability resulting from a pregnancy involving: |
| 16 | (1) Preterm birth of a child who is required to stay in a |
| 17 | neonatal intensive care unit; or |
| 18 | (2) Birth of a child who is required to stay in a neonatal |
| 19 | intensive care unit for more than eight weeks, |
| 20 | shall be entitled to benefit payments for an additional period |
| 21 | not to exceed six weeks while the child is in a neonatal |

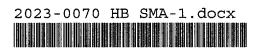


| 1 | intensive care unit or after the child is discharged from the |
|----|--|
| 2 | unit; provided further that during the additional period of |
| 3 | benefit payment, the employee provides kangaroo care to, or |
| 4 | expresses breast milk for, the child, which requires the |
| 5 | employee to continually be in close physical proximity to the |
| 6 | child. |
| 7 | (c) As used in this section, "preterm birth" means a live |
| 8 | birth of a child that occurs before thirty-seven completed weeks |
| 9 | of gestation." |
| 10 | SECTION 5. Section 392-25, Hawaii Revised Statutes, is |
| 11 | amended to read as follows: |
| 12 | "§392-25 Eligibility for benefits[-]; exemption. An |
| 13 | individual is eligible to receive temporary disability benefits |
| 14 | if the individual has been in employment for at least fourteen |
| 15 | weeks during each of which the individual has received |
| 16 | remuneration in any form for twenty or more hours and earned |
| 17 | wages of at least \$400, during the fifty-two weeks immediately |
| 18 | preceding the first day of disability $[-]$; provided that an |
| 19 | individual who is disabled due to giving birth to a child or |
| 20 | providing kangaroo care to, or expressing breast milk for, the |
| 21 | individual's child who is required to stay in a neonatal |



Page 8

| 1 | intensive care unit shall not be required to fulfill these |
|----|--|
| 2 | eligibility requirements." |
| 3 | SECTION 6. Section 398-3, Hawaii Revised Statutes, is |
| 4 | amended to read as follows: |
| 5 | "§398-3 Family leave requirement. (a) An employee shall |
| 6 | be entitled to a total of four weeks of family leave during any |
| 7 | calendar year: |
| 8 | (1) Upon the birth of a child of the employee or the |
| 9 | adoption of a child; or |
| 10 | (2) To care for the employee's child, spouse, reciprocal |
| 11 | beneficiary, sibling, grandchild, or parent with a |
| 12 | serious health condition $[-]_{i}$ |
| 13 | provided that any employee who suffers from total inability to |
| 14 | perform the duties of the employee's employment resulting from a |
| 15 | preterm birth of a child who is required to stay in a neonatal |
| 16 | intensive care unit, or birth of a child who is required to stay |
| 17 | in a neonatal intensive care unit for more than eight weeks, |
| 18 | shall be entitled to additional family leave not to exceed |
| 19 | twelve weeks while the child is in a neonatal intensive care |
| 20 | unit or after the child is discharged from the neonatal |
| 21 | intensive care unit; provided further that during the additional |



H.B. NO. 1405

1 period of family leave, the employee provides kangaroo care to, 2 or expresses breast milk for, the child, which requires the 3 employee to continually be in close physical proximity to the 4 child. 5 (b) [During each calendar year, the leave] Leave pursuant 6 to this section may be taken intermittently [-] during each 7 calendar year. 8 Leave pursuant to this section shall not be (C) 9 cumulative [-] from one calendar to another. 10 If unpaid leave under this chapter conflicts with the (d) 11 unreduced compensation requirement for exempt employees under 12 the federal Fair Labor Standards Act, an employer may require 13 the employee to make up for the leave taken within the same pay 14 period. 15 (e) Nothing in this chapter shall entitle an employee to 16 more than a total of four weeks of leave in any twelve-month 17 period[-;]; provided that any employee who suffers from total 18 inability to perform the duties of the employee's employment 19 resulting from a preterm birth of a child who is required to 20 stay in a neonatal intensive care unit or birth of a child who 21 is required to stay in a neonatal intensive care unit for more

2023-0070 HB SMA-1.docx

Page 10

H.B. NO. 1409

| 1 | than eight weeks shall be entitled to additional family leave |
|----|---|
| 2 | not to exceed twelve weeks while the child is in a neonatal |
| 3 | intensive care unit or after the child is discharged from the |
| 4 | neonatal intensive care unit; provided further that during the |
| 5 | additional period of family leave, the employee provides |
| 6 | kangaroo care to, or expresses breast milk for, the child, which |
| 7 | requires the employee to continually be in close physical |
| 8 | proximity to the child. |
| 9 | (f) For purposes of this section, "kangaroo care" shall |
| 10 | have the same meaning as in section 392-3." |
| 11 | SECTION 7. Section 398-4, Hawaii Revised Statutes, is |
| 12 | amended by amending subsections (a) and (b) to read as follows: |
| 13 | "(a) [Pursuant to section 398-3, an employee shall be |
| 14 | entitled to four weeks of family leave. The family leave shall] |
| 15 | Nothing in this chapter shall be construed to require an |
| 16 | employer to provide its employees with paid family leave. If an |
| 17 | employer provides its employees with paid family leave, family |
| 18 | leave taken by an employee pursuant to section 398-3 may consist |
| 19 | of unpaid leave, paid leave, or a combination of paid and unpaid |
| 20 | leave. If an employer provides paid family leave for fewer than |
| 21 | [four weeks,] the family leave period to which an employee is |

2023-0070 HB SMA-1.docx

entitled pursuant to section 398-3, [the additional period of
 leave added leave to attain the four week total] leave taken by
 the employee beyond the period of paid family leave provided by
 the employer may be unpaid.

(b) Except as otherwise provided in subsection (c), an
employee may elect to substitute <u>any part of family leave to</u>
which the employee is entitled pursuant to section 398-3, with
any of the employee's accrued paid leaves, including [but not
limited to] vacation, personal[7] leave, or family leave [for
any part of the four week period in subsection (a)]."

SECTION 8. The department of health shall amend its administrative rules to ensure that neonatal care is included as a "related medical condition" wherever the phrase "pregnancy, childbirth, or related medical condition" is used.

15 SECTION 9. Statutory material to be repealed is bracketed16 and stricken. New statutory material is underscored.

17 SECTION 10. This Act shall take effect upon its approval.

INTRODUCED BY: 2 5 2023

2023-0070 HB SMA-1.docx

Report Title:

Temporary Disability Insurance; Eligibility Criteria Exemption; Family Leave; Pregnancy; Childbirth; Preterm Birth; Neonatal Intensive Care Unit; Kangaroo Care; Breast Milk Expression

Description:

Expands the State's temporary disability insurance (TDI) coverage to, and exempt from TDI benefit eligibility requirements that are employment-related, employees who are unable to perform their employment duties due to the employee's childbirth or provision of kangaroo care to, or expression of breast milk for, the employee's child who is required to stay in a neonatal intensive care unit. Extend under certain conditions, the temporary disability benefit payment period and family leave period for employees who are unable to perform their employment duties due to a preterm birth of a child who is required to stay in a neonatal intensive care unit or birth of a child who is required to stay in a neonatal intensive care unit for more than eight weeks. Defines "kangaroo care" and "preterm birth". Requires the Department of Health to amend its rules to include neonatal care as related condition where the phrase "pregnancy, childbirth, or other related condition" is used.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

