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# A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
DEFINITION OF "DEPENDENT-BENEFICIARY".

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

1           SECTION 1. The legislature finds that the Hawaii employer-  
2 union health benefits trust fund offers health benefits to the  
3 children of state and county employees and retirees. Due to the  
4 current construction of chapter 87A, Hawaii Revised Statutes,  
5 when an employee or retiree passes away, the employee's or  
6 retiree's surviving spouse's children that are born after the  
7 employee's or retiree's death are eligible to participate in  
8 benefit plans offered by the fund. However, the legislature  
9 finds that a child born or legally adopted after an employee's  
10 or retiree's death who is not the natural or adopted child of  
11 the deceased employee or retiree should not be eligible to  
12 participate in fund benefit plans because the child is not the  
13 child of the state or county employee or retiree.

14           The legislature further finds that the definition of  
15 "dependent-beneficiary" should be amended to be consistent with  
16 the federal Patient Protection and Affordable Care Act of 2010,



1 which prohibits restricting health insurance coverage to only  
2 unmarried dependents and dependents who live with the employee-  
3 beneficiary, and denying health insurance coverage to married  
4 dependents and dependents who do not live with the employee-  
5 beneficiary.

6 The purposes of this Act are to:

- 7 (1) Amend the definition of "dependent-beneficiary"  
8 contained in chapter 87A, Hawaii Revised Statutes, to  
9 clarify eligibility of children for participation in  
10 fund benefit plans; and
- 11 (2) Bring the definition of "dependent-beneficiary" into  
12 conformance with the federal Patient Protection and  
13 Affordable Care Act of 2010.

14 SECTION 2. Section 87A-1, Hawaii Revised Statutes, is  
15 amended by amending the definition of "dependent-beneficiary" to  
16 read as follows:

17 "'Dependent-beneficiary" means an employee-beneficiary's:

- 18 (1) Spouse;
- 19 (2) [~~Unmarried child~~] Child deemed eligible by the board,  
20 including a legally adopted child, stepchild, foster  
21 child, or recognized natural child [~~who lives with the~~



1 ~~employee-beneficiary,]~~, but excluding a child born or  
 2 legally adopted more than ten months after the death  
 3 of an employee killed in the performance of duty, born  
 4 or legally adopted more than ten months after the  
 5 death of an active employee who was eligible to retire  
 6 on the date of death, or born or legally adopted more  
 7 than ten months after the date of death of a retired  
 8 employee-beneficiary; and

9 (3) Unmarried child regardless of age who is incapable of  
 10 self-support because of a mental or physical  
 11 incapacity, which existed prior to the unmarried  
 12 child's reaching the age of nineteen years."

13 SECTION 3. This Act does not affect the rights that  
 14 accrued before the effective date of this Act.

15 SECTION 4. Statutory material to be repealed is bracketed  
 16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act, upon its approval, shall take effect  
 18 on July 1, 2050.



**Report Title:**

Hawaii Employer-Union Health Benefits Trust Fund

**Description:**

Amends the definition of "dependent-beneficiary" for purposes of determining eligibility for dependent benefits under the Hawaii Employer-Union Health Benefits Trust Fund. (HB1062 HD1)

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