STAND. COM. REP. NO. **257D**

Honolulu, Hawaii

MAR 01 2018

RE: S.B. No. 2761 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2761, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND DEFINITION OF "DEPENDENT-BENEFICIARY","

begs leave to report as follows:

The purpose and intent of this measure is to amend the definition of the term "dependent-beneficiary" with regard to the Hawaii Employer-Union Health Benefits Trust Fund.

Specifically, this measure:

- (1) Excludes children who are born or adopted more than ten months after the death of certain employees or retired employee-beneficiaries from participating in benefit plans of the Hawaii Employer-Union Health Benefits Trust Fund; and
- (2) Repeals the requirements that a dependent-beneficiary be unmarried and live with the employee-beneficiary.

Your Committee received written comments in support of this measure from the Department of Budget and Finance.

Your Committee finds that under certain circumstances, a surviving spouse of an employee-beneficiary is entitled to benefits under the Hawaii Employer-Union Health Benefits Trust Fund. If that surviving spouse gives birth to or adopts a child more than ten months after the death of the employee-beneficiary or retiree, that child is also eligible for benefits even though the child is not the legally adopted or natural child of the deceased employee-beneficiary or retiree. This measure will help to ensure that benefits are limited to current or former employee-beneficiaries and the spouses and children of the employee-beneficiaries.

Your Committee also finds that repealing the requirements that a dependent-beneficiary be unmarried and live with the employee-beneficiary will help to align Hawaii law with the Affordable Care Act, which does not contain a similar requirement for medical and prescription insurance coverage of children under twenty-six years of age.

Your Committee has amended this measure by:

- (1) Inserting a savings clause; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2761, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2761, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SB2761,SDI	LBRIWAM			2-14-18	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
DELA CRUZ, Donovan M. (C)					
KEITH-AGARAN, Gilbert S.C. (VC)		. 14			
ENGLISH, J. Kalani					~
GALUTERIA, Brickwood			4. 1		
HARIMOTO, Breene					
INOUYE, Lorraine R.					
KAHELE, Kaiali'i					V
KIDANI, Michelle N.					
RIVIERE, Gil					
SHIMABUKURO, Maile S.L.			. 1		
WAKAI, Glenn					
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TOTAL		7			4
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Whille A. Holani					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes