STAND. COM. REP. NO. **2815** 

Honolulu, Hawaii

FEB 1 4 2020

RE: S.B. No. 2866

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 2866 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND EMPLOYEE-BENEFICIARY MONTHLY CONTRIBUTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to amend section 87A-40, Hawaii Revised Statutes, to mandate that newly retired employees pay their share of health benefits premiums through monthly electronic deductions from their Employees' Retirement System pension or their financial institution.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund. Your Committee received comments on this measure from the Hawaii Employees' Retirement System.

Your Committee finds that monthly electronic deductions from retired employees or surviving employee-beneficiary's employees' retirement system pension or other financial institution improves operational efficiency, reduces banking fees and ensures that retired employees do not miss any monthly payments and possibly lose their health benefits.

Your Committee has amended this measure by:

- (1) Inserting language as suggested by the Employees' Retirement System to include coverage for the retirant or the surviving beneficiary for the Employer-Union Health Benefits Trust fund under provisions of section 88-95, Hawaii Revised Statutes, as may be necessary to effectuate the maximum recovery of retirement benefits; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2866, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Labor, Culture and the Arts,

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Labor, Culture and the Arts LCA

Date:							
2/04/2020							
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							
used							
>							
Recommendation:							
Adopted Not Adopted							
Chair's or Designee's Signature:							
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\*Only one measure per Record of Votes