STAND. COM. REP. NO. 12

Honolulu, Hawaii MAR 0 4 2021 RE: S.B. No. 675

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 675, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the definition of "employee-beneficiary" of the Hawaii Employer-Union Benefits Trust Fund to include the surviving unmarried adult child of a deceased retired member, provided that the child is incapable of self-support due to a mental or physical incapacity, which existed prior to the unmarried child's reaching the age of majority.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Director of Budget and Finance and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that there is no survivor benefit coverage in the health benefits plan or long-term care for the disabled adult child of an employee who has dedicated their life to public service. Therefore, under current law, disabled adult children lose their health benefits upon the death of the retired member. Your Committee further finds that currently there are four hundred twelve such dependents on the Hawaii Employer-Union



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Health Benefits Trust Fund health plans incapable of self-support because of a mental or physical incapacity. The average age of these currently enrolled dependents is forty and the average age of the subscriber is seventy-three, and the estimated annual premiums for one such dependent are \$6,364. Therefore, your Committee finds that this measure is necessary to provide continued health benefit coverage to surviving children with mental or physical incapacity when the retiree and the retiree's spouse are no longer living or eligible.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 675, S.D. 1, and recommends that it pass Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Judiciary,

KARL RHOADS, Chair



The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
58675 501	LCA, JDC			02/25/2021	
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		Ауе	Aye (WR) Nay	Excused
RHOADS, Karl (C)		\checkmark			
KEOHOKALOLE, Jarrett (VC)		v			
ACASIO, Laura			V		
GABBARD, Mike		\checkmark			
KIM, Donna Mercado		V			
LEE, Chris		V			
FEVELLA, Kurt		V			
TOTAL		6	1	0	0
Recommendation:					
Adopted			Not Adopted		
Chair's or Designee's Signature: Kalhbook					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Committee					

*Only <u>one</u> measure per Record of Votes