

STAND. COM. REP. NO.

69

Honolulu, Hawaii

FEB 07 2023

RE: S.B. No. 1314
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 1314 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND SPOUSAL MEDICARE PART B PREMIUM REIMBURSEMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to exclude the Medicare reimbursements by the State and counties for the spouses of retired employees hired after June 30, 2023.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Hawaii Employer-Union Health Benefits Trust Fund. Your Committee received comments on this measure from the Hawaii Government Employees Association, Local 152, American Federation of State, County and Municipal Employees, AFL-CIO.

Your Committee finds that this administration-sponsored bill would reduce the State's annual required contributions to other post-employment benefits trust funds by approximately \$1,200,000,000 over the next thirty years. According to testimony from the Hawaii Employer-Union Health Benefits Trust Fund, this provision should have been incorporated and enacted when the State and counties were no longer required to reimburse Medicare Part B premiums for retired employees that were hired after June 30,

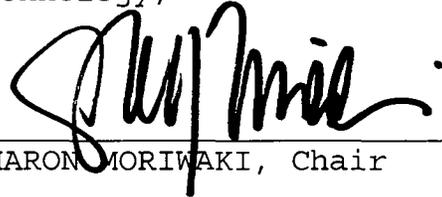


2001. Your Committee further finds that this housekeeping measure would not impact current retirees, vested former employees, or current employees.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1314, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1314, 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 and
Technology,



SHARON MORIWAKI, Chair



