

STAND. COM. REP. NO.

1972

Honolulu, Hawaii

APR 04 , 2023

RE: S.B. No. 1314
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1314, S.D. 2, 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 of this measure is to exclude Medicare Part B premium reimbursement 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. Your Committee received testimony in opposition to this measure from the State of Hawaii Organization of Police Officers and one individual. Your Committee received comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the State and counties reimburse retirees and their spouses for Medicare Part B premiums, including spouses of retirees hired after June 30, 2001. The Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees

2023-3012 SB1314 HD1 HSCR HMSO



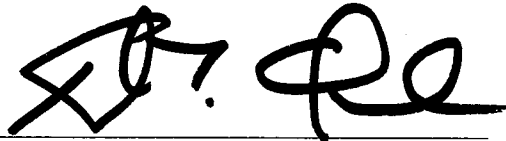
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estimates that eliminating Medicare Part B premium reimbursements for spouses of employees hired on or after July 1, 2023, will reduce the State's future annual required contributions by \$1,200,000,000 over a thirty-year period. Retirees, vested employees, terminated employees, and current employees hired prior to July 1, 2023, will not be impacted by this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2023.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1314, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1314, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 1314, SD 2	Committee Referral: FIN	Date: 3/29/23		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AIU, Micah P.K.	✓			
4. CHUN, Cory M.	✓			
5. COCHRAN, Elle	✓			
6. GARRETT, Andrew Takuya	✓			
7. KAHALOA, Kirstin	✓			
8. KILA, Darius K.	✓			
9. KOBAYASHI, Bertrand	✓			
10. LAMOSAO, Rachele F.	✓			
11. MORIKAWA, Dee	✓			
12. NISHIMOTO, Scott Y.	✓			
13. POEPOE, Mahina	✓			
14. TAKENOUCI, Jenna	✓			
15. ALCOS III, David	✓			
16. WARD, Gene				✓
TOTAL (16)	15	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				