

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 1862  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1862, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this bill is to allow the Department of Education (DOE) to employ retired licensed teachers to teach in teacher shortage areas or serve as mentors for new classroom teachers, provided that retired teachers are retired for at least one calendar year prior to reemployment.

The Hawaii State Teachers Association testified in support of this bill. DOE supported the intent of this measure. The Employees' Retirement System (ERS) provided comments.

Your Committee notes that ERS expressed concern over the possible adverse actuarial impact this bill would have on the ERS' unfunded liability. ERS also suggested that this bill be amended to require the employer to contribute 13.75 percent of the rehired retiree's salary to mitigate this impact.

Your Committee recognizes both the need to address Hawaii's teacher shortage and the need to be fiscally responsible with regard to the State's financial future.



Accordingly, your Committee has amended this bill by changing the effective date to July 1, 2020, to encourage further discussion.

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 H.B. No. 1862, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1862, H.D. 2.

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



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DWIGHT TAKAMINE, Chair



State of Hawaii  
House of Representatives  
The Twenty-third Legislature

*HSR 884*

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> HB 1862 HD1	<b>Date:</b> <span style="font-size: 1.5em; font-family: cursive;">2.27.06</span>			
<b>Committee Referral:</b> EDN/LAB, FIN	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit				
<b>FIN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. TAKAMINE, Dwight Y. (C)	✓			
2. KAWAKAMI, Bertha C. (VC)	✓			
3. CARROLL, Mele				✓
4. CHONG, Pono	✓			
5. EVANS, Cindy	✓			
6. LEE, Marilyn B.	✓			
7. MAGAOAY, Michael Y.	✓			
8. NAKASONE, Bob	✓			
9. NISHIMOTO, Scott Y.	✓			
10. TANAKA, Kameo	✓			
11. TSUJI, Clift	✓			
12. WAKAI, Glenn	✓			
13. YAMANE, Ryan I.	✓			
14. YAMASHITA, Kyle T.	✓			
15. MEYER, Colleen Rose				✓
16. MOSES, Mark S.	✓			
17. PINE, Kymberly				✓
18. STEVENS, Anne V.	✓			
<b>TOTAL</b>	15			3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> <div style="text-align: center; font-family: cursive; font-size: 1.5em; margin-top: 10px;">                     Bertha C. Kawakami                 </div>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office				