

Honolulu, Hawaii

Ag: 128, 2006

RE: H.B. No. 2678
H.D. 2
S.D. 2
C.D. 1

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

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2678, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to assist public employees with incurable and debilitating diseases by:

- (1) Extending the current 90-day retirement deadline to 150 days after notification of the Employees' Retirement System Board of Trustees' (ERS Board of Trustees) approval of the member's ordinary disability application; and



- (2) Allowing a member to file up to three ordinary disability applications and providing that, if the member's third ordinary disability application is approved by the ERS Board of Trustees, the member would be required to retire no later than 150 days after the mailing of the notice of the ERS Board of Trustees' approval.

Currently, ERS administrative rules require a member to retire within 90 days after the member is notified of a favorable decision on the member's ordinary disability retirement application even though the employee may still be productive. Your Committee on Conference finds that many employees diagnosed with debilitating or incurable diseases often remain productive members of society who are willing to provide invaluable service to the community. These individuals should be allowed to continue to work until they are physically unable to do so.

Your Committee on Conference has amended this bill by:

- (1) Deleting language that extended the current 90-day retirement deadline to 150 days after notification of the ERS Board of Trustees' approval of the member's ordinary disability application;
- (2) Deleting language allowing a member to file up to three ordinary disability applications and providing that, if the member's third ordinary disability application is approved by the ERS Board of Trustees, the member would be required to retire no later than 150 days after the mailing of the notice of the ERS Board of Trustees' approval.
- (3) Specifying that a member whose application for an ordinary disability retirement allowance is approved by the ERS Board of Trustees while the member is still in service may terminate service and retire at any time following the approval;
- (4) Inserting a purpose section;
- (5) Changing the effective date from July 1, 2050, to July 1, 2006; and
- (6) Making technical, nonsubstantive amendments for clarity and style.



As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2678, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2678, H.D. 2, S.D. 2, C.D. 1.


Respectfully submitted on behalf
of the managers:


ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE


BRIAN KANNO, Chair


BRIAN T. TANIGUCHI, Co-Chair


KIRK CALDWELL, Co-Chair


BOB NAKASONE, Co-Chair



Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: HB 2678, HD 2, SD 2	Date/Time: 9/26/06 2:55 p.m.
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The recommendation of the House and Senate managers is to pass with amendments (CD).


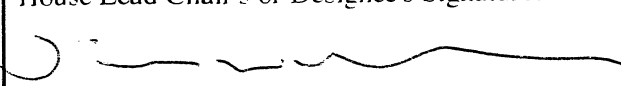
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KANNO, Brian, Chr.	✓				CALDWELL, Kirk, Co-Chr.	✓			
TANIGUCHI, Brian, Co-Chr.	✓				NAKASONE, Bob, Co-Chr.	✓			
Ilana, Les, Jr.	✓				MEYER, Colleen Rose	✓			
TOTAL	3				TOTAL	3			

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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