

Honolulu, Hawaii

March 24, 2006

RE: S.B. No. 54
S.D. 2
H.D. 1

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

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 54, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this bill is to allow state legislators who attain the age of 65 to retire and receive a service retirement allowance while continuing to fill their elective position; provided that the state legislator continuously serves as a state legislator for at least 20 years immediately prior to retirement.

The Chair of the City Council of the City and County of Honolulu, Chair of the Hawaii County Council, Chair of the Kauai County Council, Hawaii Government Employees Association, and Hawaii State Teachers Association supported this bill. The Employees Retirement System submitted comments.

Your Committee finds that members of the Legislature are currently eligible to retire and receive a pension while continuing to fill elective office if they reach the age of 65.



However, your Committee believes in parity for all elected officials including the Governor, Lieutenant Governor, county mayors, county council members, trustees of the Office of Hawaiian Affairs, and the Prosecuting Attorney. Accordingly, your Committee has amended this bill by:

- (1) Deleting the provision that requires an elective officer to continuously serve in the state Legislature as an elective officer for at least 20 years immediately prior to retiring;
- (2) Changing the effective date from July 1, 2050, to July 1, 2006; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 54, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 54, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,


KIRK CALDWELL, Chair



