

STAND. COM. REP. NO.

2419

Honolulu, Hawaii

, 2006

RE: S.B. No. 2416
S.D. 1

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

Sir:

Your Committee on Labor, to which was referred S.B. No. 2416
entitled:

"A BILL FOR AN ACT RELATING TO THE REHIRING OF RETIREES,"

begs leave to report as follows:

The purpose of this measure is to allow individuals who have
retired from public service with the State or any county to be
rehired by the State or any county without the loss or suspension
of retirement benefits.

Testimony in support of this measure was submitted by the
Department of Human Resources Development, the Department of
Education, the Department of Human Resources for the City and
County of Honolulu, the Department of Civil Service for the County
of Hawaii, the Office of the Mayor for the County of Hawaii, and
the Department of Personnel Services for the County of Maui.

Testimony in opposition to this measure was submitted by the
Department of Budget and Finance and the Hawaii Government
Employees Association, AFSCME Local 152, AFL-CIO. Comments on the
measure were also submitted by the Employees' Retirement System.

Your Committee finds that the current labor pool is
decreasing in Hawaii, yet the need for qualified individuals to
work for the state and local governments remains constant. Your
Committee recognizes that the changing demographics of the current
workforce have resulted in an aging workforce with many workers
becoming eligible for retirement with full benefits. The

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utilization of retired government employees will provide a short- and long-term solution to the current workforce deficits that have been created by an increased number of retirements, positions in a labor shortage category, and positions categorized as hard-to-fill. Your Committee determines that public employees who retire from public service, having earned their retirement benefits, should be able to return to work for the State or local governments without jeopardizing or sacrificing those benefits.

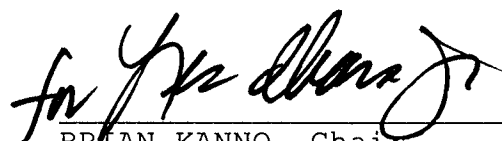
Your Committee understands that there are concerns regarding the possibility that this measure could encourage individuals to retire earlier than they might otherwise. Although it does not seem likely that a mass exodus of employees will occur as a result of this measure, your Committee believes that clarification about the types of positions for which a retiree may be re-employed by the State or county and the inclusion of a wait period after retirement will help to address this concern.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that a retiree's re-employment is only for critical-to-fill or labor shortage positions;
- (2) Requiring a retiree to be retired for a period of at least one year prior to becoming eligible for re-employment; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2416, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2416, S.D. 1, and be referred to the Committee on Ways and Means.

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


BRIAN KANNO, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Labor
(Bills and Resolutions)

Measure:* SB 2416	Committee Referral: LBR, WAM	Date: 2-10-06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
KANNO, Brian (C)	✓			
IHARA, Jr., Les (VC)	✓			
TANIGUCHI, Brian T.				
SLOM, Sam	✓			
TOTAL				
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Do not list more than one measure per Record of Votes.