

Honolulu, Hawaii

May 1, 2007

RE: H.B. No. 1292  
H.D. 1  
S.D. 2  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1292, H.D. 1, 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 enable the Employees' Retirement System (ERS) to maintain its status as a tax-qualified retirement plan by complying with the Internal Revenue Code. Among other things, this bill:

- (1) Prohibits elective officers and judges from terminating their ERS membership upon reaching the statutory cap on retirement benefits even though they remain in office and delay receipt of the benefits until a future separation date;



- (2) Prohibits elective officers from joining the ERS at any time during their term of office; and
- (3) Requires elective officers to exercise a one-time, irrevocable option to join the ERS when they are elected.

Your Committee on Conference finds that this is an important measure that protects the ERS' tax-qualified status, ensuring the favorable tax treatment of employee contributions made on a pre-tax basis.

Your Committee on Conference has amended this measure by:

- (1) Allowing a member who has served in the Legislature for at least five years and who attains the age of 65 to retire and receive a service retirement allowance; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, 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. 1292, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1292, H.D. 1, S.D. 2, C.D. 1.

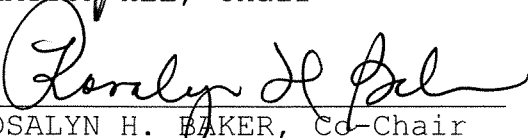
Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
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 CLAYTON HEE, Chair

  
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 ALEX M. SONSON, Co-Chair

  
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 ROSALYN H. BAKER, Co-Chair

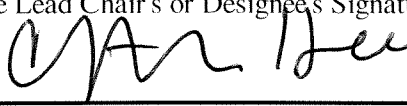

  
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 BOB NAKASONE, Co-Chair



Hawaii State Legislature

CCR 143

Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: HB 1292, HD 1, SD 2					Date/Time: <i>April 27, 2007</i>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> 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.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
HEE, Clayton, Chr.	✓				SONSON, Alex M., Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				NAKASONE, Bob, Co-Chr.	✓			
KOKUBUN, Russell S.					SOUKI, Joseph M.	✓			
GABBARD, Mike	✓				WARD, Gene, Ph.D.				✓
TOTAL	3			1	TOTAL	3			1
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
<b>Distribution:</b> <span style="margin-left: 100px;"><b>Original</b> File with Conference Committee Report</span> <span style="margin-left: 100px;"><b>Yellow</b> House Clerk's Office</span> <span style="margin-left: 100px;"><b>Pink</b> Senate Clerk's Office</span> <span style="margin-left: 100px;"><b>Goldenrod</b> Drafting Agency</span>									