

STAND. COM. REP. NO.

1172

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 1817  
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1817, H.D. 1, 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 assist the county police departments with the retention of their police officers by allowing police officers to receive a maximum retirement allowance of 100 percent of an officer's average final compensation.

The Honolulu Police Department (HPD), County of Hawaii Police Department, and State of Hawaii Organization of Police Officers testified in support of this bill. The Employers Retirement System opposed this measure. The Department of Budget and Finance did not support this bill.

Your Committee finds that the retention of police officers (approaching retirement) has become a critical issue, especially on the neighbor islands. As it is in the interest of the public's safety to address this concern, your Committee requests that the ERS review the benefits of allowing police officers a maximum retirement allowance of 100 percent of their average final compensation. Your Committee further requests the ERS to examine the benefits of raising the calculation of the average final compensation for police officers from 2.5 percent to 3.5 percent

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to provide an additional incentive for the retention of these public servants.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 1817, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1817, H.D. 2.

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



MARCUS R. OSHIRO, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HSCR 1172

Record of Votes of the Committee on Finance

Bill/Resolution No.: <b>HB 1817 HD1</b>		Date: <b>3/1/07</b>		
Committee Referral: <b>LAB/PSM, FIN</b>		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. BELATTI, Della Au	✓			
4. BROWER, Tom	✓			
5. CARROLL, Mele				✓
6. CHONG, Pono	✓			
7. HANOHANO, Faye P.	✓			
8. HAR, Sharon E.				✓
9. MAGAOAY, Michael Y.	✓			
10. MANAHAN, Joey	✓			
11. MIZUNO, John	✓			
12. NAKASONE, Bob	✓			
13. RHOADS, Karl	✓			
14. SAGUM, Roland D., III				✓
15. TOKIOKA, James Kunane	✓			
16. AWANA, Karen Leinani	✓			
17. MEYER, Colleen Rose		X		
18. WARD, Gene, Ph.D.	✓			
<b>TOTAL</b>	<b>14</b>	<b>1</b>	<b>0</b>	<b>3</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>Marilyn B Lee</i>				
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