

Honolulu, Hawaii

MAR 20 2008

RE: H.B. No. 2710
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committees on Judiciary and Labor and Intergovernmental and Military Affairs, to which was referred H.B. No. 2710, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE RE-EMPLOYMENT OF RETIREES,"

beg leave to report as follows:

The purpose of this measure is to allow the State and the county governments to re-employ retired state and county employees to fill labor shortage and difficult-to-fill exempt or civil service positions.

Your Committees received testimony in support of this measure from the Judiciary, Department of Education, Department of Human Resources Development, Hawaii Health Systems Corporation, Hawaii Council of Mayors, Honolulu County Department of Human Resources, Mayor of Hawai'i County, Mayor of Kaua'i County, Hawai'i County Department of Human Resources, Hawai'i County Fire Department, Honolulu Police Department, Honolulu Fire Department, Maui County Department of Personnel Services, Maui County Department of Fire and Public Safety, Maui Police Department, Hawaii Government Employees Association, and Hawaii State Teachers Association. Comments were received from the Employees' Retirement System.

Your Committees find that with the low unemployment rate the State is now experiencing, state and county governments have more vacancies occurring with a dwindling number of qualified



applicants. Your Committees recognize that retired state and county employees form a lucrative pool of experienced and knowledgeable people who may be willing to return to work with the State or the counties, rather than going into the private sector to work after retirement.

Your Committees request the Committee on Ways and Means to look into an issue related to health coverage of the retirees. The measure may have conflicting provisions where one provision allows the retiree to continue receiving retiree health coverage under the Employer-Union Health Benefits Trust Fund and another provision requires a retiree to join a collective bargaining unit. The Trust Fund may require health coverage of the retiree under the collective bargaining unit unless these two provisions are reconciled. Your Committees believe that allowing a retiree to continue receiving health insurance coverage as a retiree provides another incentive for the retiree to re-enter into the state or county government workforce.

Your Committees have amended this measure by:

- (1) Deleting the word "only" in reference to eligibility for a position of at least one-half of a full-time equivalent position;
- (2) Clarifying that the rehiring of retired state or county government employees is pursuant to the new section created by the measure;
- (3) Clarifying that political subdivisions of the State are included in the definition of "state jurisdiction";
- (4) Deleting the purpose section; and
- (5) Making conforming amendments to Act 286, Session Laws of Hawaii 2006, relating to the rehiring of teachers and administrators, on the recommendation of the Employees' Retirement System.


As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2710, H.D. 2, as amended herein, and recommend that it pass Second



Reading in the form attached hereto as H.B. No. 2710, H.D. 2,
S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Labor and Intergovernmental and
Military Affairs,


LORRAINE R. INOUE, Chair


BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Intergovernmental and Military Affairs
IGM

Bill / Resolution No.:*	Committee Referral:	Date:
HB 2710 HD2	JDL/IGM, WAM	3-18-08

The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
TSUTSUI, Shan S. (VC)				✓
HEMMINGS, Fred	✓			
TOTAL	2	0	0	1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes