

Honolulu, Hawaii

APR 04 2008

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

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

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2710, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to authorize the State and county governments to hire retired state or county government employees under certain conditions.

This measure also ensures that the re-employed retirants who return to public employment will be able to continue to receive retirement benefits and health benefits without penalty but not be able to earn additional retirement system benefits for their re-employment.

Your Committee received testimony in support of this measure from the Judiciary, the Department of Education, the Department of Human Resources Development, the Mayor of the County of Kauai, the Fire Department of the County of Kauai, the Honolulu Fire Department, the Department of Personnel Services of the County of Maui, the Fire Department of the County of Hawaii, the Hawaii Government Employees Association, and the Hawaii Council of Mayors. Comments were received from the Hawaii Employer-Union Health Benefits Trust Fund.

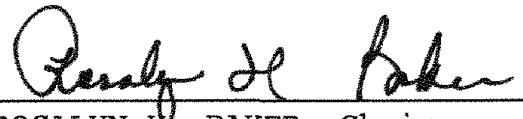


Your Committee finds that this measure allows the State and county governments to recapture a source of skilled labor that was otherwise deemed lost to the private sector due to the present structure of the Employees' Retirement System law.

Your Committee has amended this measure to reconcile the possible conflict between allowing the retirant to continue receiving retirant health coverage under the Employer-Union Health Benefits Trust Fund and requiring health coverage of the retirant under the collective bargaining unit. Specifically, your Committee added a reference to chapter 89, relating to collective bargaining in public employment, to the laws that are exempted from applicability to this measure. Your Committee also made technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2710, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2710, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



