

STAND. COM. REP. NO.

2484

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 2710

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 S.B. No. 2710 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 authorize the counties to employ retired state or county government employees who are receiving retirement benefits from the Employees' Retirement System.

Your Committees received testimony in support of this measure from the County of Hawaii, the County of Kauai, the County of Maui, the Department of Human Resources of the County of Hawaii, the Department of Fire and Public Safety of the County of Maui, and the Honolulu Fire Department. Comments on the measure were received from the Employees' Retirement System and the Department of Human Resources Development.

Your Committees find that this measure will enable the counties to partially address the difficulties that they are currently facing in meeting their labor shortages. The measure will also enable government retirees to return to government employment without incurring negative financial consequences.


Your Committees have amended this measure by:



- (1) Specifying that a retiree shall have been retired for at least one calendar year prior to reemployment;
- (2) Specifying that the county employer must contribute to the pension accumulation fund the required percentage of the rehired employee's compensation in order to amortize the system's unfunded actuarial accrued liability;
- (3) Specifying that the retirees may be rehired only for labor shortage and critical-to-fill positions;
- (4) Specifying that the appointing authority and the retiree must certify that no agreement to rehire the employee was made prior to the employee's retirement;
- (5) Changing the effective date to July 1, 2080, to promote continued discussion of the matter; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity and style.

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 S.B. No. 2710, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2710, 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





