

STAND. COM. REP. NO.

2776

Honolulu, Hawaii

MAR 19 2010

RE: H.B. No. 2429
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Labor, to which was referred H.B. No. 2429,
H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEPARATION INCENTIVES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the state executive branch to offer a voluntary severance or a special retirement incentive benefit to state employees who elect to voluntarily separate from service when their positions are identified for abolishment or when they are directly affected by a reduction-in-force or workforce restructuring plan; and
- (2) Extend the option to provide a special retirement incentive benefit to employees under a reduction-in-force or a workforce restructuring plan in other jurisdictions.

Testimony in opposition of this measure was submitted by one private organization. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that offering early retirement benefit incentives will not permanently impair the unfunded actuarial accrued liability of the Employees' Retirement System. Your



Committee also finds that one-time lump sum cash payments for voluntary severance benefits will not impact a retirant's retirement benefits and it could help to relieve the general fund deficit in the following fiscal year.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2429, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2429, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

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



DWIGHT Y. TAKAMINE, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Labor
LBR

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2429 HOI	LBR, WAM	3-09-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TAKAMINE, Dwight Y. (C)	✓			
TANIGUCHI, Brian T. (VC)				✓
BUNDA, Robert	✓			
HEE, Clayton	✓			
SLOM, Sam			✓	
TOTAL	3		1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Clayton Hee</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes