

Honolulu, Hawaii

FC 58, 2010

RE: H.B. No. 2919

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2919 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 provide equality in benefits to people doing similar work by expanding the definition of "sewer worker" to include sewer maintenance working supervisors, wastewater collection system inspection supervisors, wastewater collection system district supervisors, and wastewater collection system field services supervisors.

The City and County of Honolulu's Department of Human Resources (DHR), Hawaii Government Employees' Association AFSCME Local 152, AFL-CIO, United Public Workers, and a concerned individual supported this bill. The Employees' Retirement System (ERS) opposed this measure.

Your Committee recognizes the concerns presented by the ERS regarding expanding the definition of "sewer worker" under section 88-21, Hawaii Revised Statutes, as it will enable a greater number of employees to take early retirement without reduction for age as long as the member has at least 25 years of service. ERS also communicated that this action will increase the ERS' \$6.2 billion unfunded actuarial accrued liability, and it is contrary to the moratorium on benefit enhancements set in place by Act 256, Session Laws of Hawaii 2007. However, your Committee finds that



this bill would have a minimal impact as, according to the DHR, there are only seven employees that would receive this benefit enhancement should this bill become enacted.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2919 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



