

STAND. COM. REP. NO.

1156

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 1036
H.D. 1
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1036, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FEDERAL TAX QUALIFICATION REQUIREMENTS FOR THE EMPLOYEES' RETIREMENT SYSTEM,"

begs leave to report as follows:

The purpose and intent of this measure is to protect the status of the Employees' Retirement System as a tax-qualified retirement plan under section 401(a) of the Internal Revenue Code, by amending the State's pension and retirement systems law to adopt language required under the federal Heroes Earnings Assistance and Relief Tax Act of 2008, Public Law No. 110-245.

Your Committee finds that the Heroes Earnings Assistance and Relief Tax Act imposes requirements on tax-qualified retirement plans regarding benefits payable to the survivors of members who have died while performing qualified military service. Your Committee notes that although existing provisions of chapter 88, Hawaii Revised Statutes, provide the benefits required by the Heroes Earnings Assistance and Relief Tax Act, this measure will amend chapter 88, Hawaii Revised Statutes, to include the specific wording required by the Heroes Earnings Assistance and Relief Tax Act to maintain the tax-qualified status of the Employees' Retirement System.

Your Committee has amended this measure by:

HB1036 SD2 SSCR LRB 11-3051.doc



- (1) Correcting cross-references to parts of the Hawaii Revised Statutes;
- (2) Adding the term "civil union" to a provision regarding information provided to the Employees' Retirement System by its members, to maintain consistency with other provisions of the measure; and
- (3) Making 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. 1036, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1036, H.D. 1, S.D. 2.

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




DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1036, HD1, SD1	PGM/JDL, WAM	4-1-11		
<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
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.				/
ENGLISH, J. Kalani				/
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	12	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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