

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1269
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 S.B. No. 1269, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEFINITION OF COMPENSATION FOR PURPOSES OF THE EMPLOYEES' RETIREMENT SYSTEM,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the definition of "compensation" for the purpose of calculating retirement benefits by:

- (1) Providing a gradual stepped-down calculation for additional compensation for members of the Employees' Retirement System who are members as of June 30, 2011; and
- (2) Excluding additional compensation for new members of the Employees' Retirement System.

Your Committee received written comments in support of this measure from Kalbert Young, Director, Department of Budget and Finance. Your Committee received written comments in opposition to this measure from Randy Perreira, Executive Director, Hawaii Government Employees Association. Your Committee received written comments on this measure from John K. Sang.

Your Committee finds that this measure addresses the unfunded liability of the Employees' Retirement System and is an important step in improving its long-term viability.



Your Committee has amended this measure by:

- (1) Clarifying that the term "additional compensation" does not include twelve-month differentials for employees of the Department of Education; and
- (2) 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 S.B. No. 1269, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1269, 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:		
SB 1269, SDI	JDL, WAM	3-1-11		
<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