

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 2487

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2487 entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM, "

begs leave to report as follows:

The purpose of this measure is to make various housekeeping amendments to the Employees' Retirement System and to restore parity with respect to age and service requirements for current Employees' Retirement System members who become judges after June 30, 2012. Among other things, this measure:

- (1) Restores the age and service retirement requirements for current members of the Employees' Retirement System who become judges after June 30, 2012, to the same age and service retirement requirements as other Contributory Plan members who became Employees' Retirement System members before July 1, 2012;
- (2) Deletes erroneous references to water safety officers as Contributory Plan members of the Employees' Retirement System;
- (3) Applies the same benefit multiplier for service retirement benefits and ordinary disability benefits for Hybrid Plan members who became members of the Employees' Retirement System after June 30, 2012; and



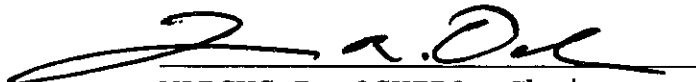
- (4) Makes the service requirement for payment of the Hybrid Plan hypothetical account balance as an ordinary death benefit for an individual who becomes a member after June 30, 2012, the same as the service requirement for an inter vivos withdrawal after the member has terminated service.

The Employees' Retirement System Board of Trustees and an individual supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2487, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2487, H.D. 1.

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


MARCUS R. OSHIRO, Chair



