

STAND. COM. REP. NO.

785

Honolulu, Hawaii

February 13, 2013

RE: H.B. No. 807

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 807 entitled:

"A BILL FOR AN ACT RELATING TO RETIREMENT BENEFITS FOR JUDGES,"

begs leave to report as follows:

The purpose of this measure is to restore parity, with respect to age and service requirements for retirement, between members of the Employees' Retirement System prior to July 1, 2012, who then became judges after June 30, 2012, and other contributory plan members who also were members of the system prior to July 1, 2012.

Testimony in support of the measure was submitted by the Judiciary, Department of Budget and Finance, and the Employees' Retirement System Board of Trustees.

Your Committee finds that prior to the enactment of Act 163, Session Laws of Hawaii 2011, the retirement age and service requirements for judges were the same as for others who became contributory plan members of the Employees' Retirement System at the same time. However, Act 163 enacted more stringent requirements for individuals who became members after June 30, 2012, and for current members who became judges after June 30, 2012. As a result, persons who were already members of the system and thereafter became judges after June 30, 2012, are subject to more stringent retirement requirements than other contributory plan members who became members of the system at the same time.

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There is no basis for this disparate treatment and the disparity serves as a disincentive for current Employees' Retirement System members who wish to become judges. This measure would eliminate that disparity and the resulting disincentive.

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. 807 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,



MARK M. NAKASHIMA, Chair



