

Honolulu, Hawaii

April 4, 2014

RE: S.B. No. 2916
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2916, S.D. 2, H.D. 1, 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 strengthen the authority of the Employees' Retirement System (ERS) to obtain needed information from the State and counties by:

- (1) Requiring, rather than authorizing, ERS to obtain needed information from any State or county agency in an electronic format specified by the ERS;
- (2) With respect to payroll and personnel transactions, requiring that the information provided to ERS include any changes or errors in payments that require correcting or updating;
- (3) Giving a State or county agency 180 days from the date of receipt of notice regarding a change in the required ERS format to comply with the new requirements;
- (4) Establishing financial penalties for State or county agency noncompliance in submitting the required



information to the ERS, including the accrual of interest; and

- (5) Requiring ERS to submit an annual report to the Department of Budget and Finance and the Legislature regarding noncompliant State or county departments or agencies, penalty amounts payable, any anticipated amounts payable in the upcoming fiscal year, and identification of any state budget program that may be affected.

The ERS Board of Trustees supported this measure. The City and County of Honolulu opposed this measure. The Department of Budget and Finance and the Department of Education commented on this measure.

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 S.B. No. 2916, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



HSCR 1616-14

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 2916, SD2, HD1	Committee Referral: LAB, FIN	Date: 4/2/2014		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.				/
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand		/		
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee		/		
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
TOTAL (17)	14	2		1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; margin-left: 200px;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
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