

Honolulu, Hawaii

April 29, 2016

RE: H.B. No. 2016  
H.D. 1  
S.D. 1  
C.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2016, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to require that public retiree contributions to the Employer-Union Health Benefits Trust Fund (EUTF) be paid through withholding of retirement benefit amounts from the Employees' Retirement System (ERS); provided that beginning January 1, 2017, the EUTF shall authorize automatic electronic payments in lieu of withholdings.

Your Committee on Conference has amended this measure by:

- (1) Deleting all references to section 87A-33.5, Hawaii Revised Statutes, concerning reimbursements made by the EUTF to retirees who relocated outside of Hawaii;

HB2016 CD1 HCCR HMS 2016-3486



- (2) Requiring the EUTF Board of Trustees to submit a report to the Legislature by January 15, 2017, on the status of the automatic electronic deductions instead of requiring an annual report;
- (3) Deleting the provision allowing a retiree or beneficiary to make a final and irrevocable one-time election to opt-out of the withholding requirement;
- (4) Changing the effective date from July 1, 2076 to upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2016, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2016, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
GILBERT S.C. KEITH-AGARAN,  
Chair

  
MARK M. NAKASHIMA, Co-Chair

  
BRIAN T. TANIGUCHI, Co-Chair

  
JARRETT KEOHOKALOOLE, Co-Chair



