

STAND. COM. REP. NO. 2763

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2077
S.D. 1

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2077, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEPARATION BENEFITS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the state executive branch and other jurisdictions to offer a voluntary severance benefit or a special retirement benefit to its employees who elect to separate from service when their positions are identified for abolishment or when they are directly affected by a reduction-in-force or workforce restructuring plan, including privatization.

Specifically, the measure establishes the following benefits for separated public employees:

- (1) A voluntary severance benefit of five per cent of the employee's base annual salary for each year of service, up to a maximum of ten years, provided that the amount is not more than fifty per cent of the employee's base annual salary; and
- (2) A special retirement benefit that allows the employee to receive an unreduced pension benefit if the employee meets certain age and length of service requirements.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, United

SB2077 SD1 SSCR LRB 16-1709.doc



Public Workers, Maui Memorial Medical Center, and nine individuals.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Employees' Retirement System.

Your Committee finds that this measure addresses public employees at different life stages. Employees with only a few years of credited service with a public employer may opt for a voluntary severance payment. In comparison, employees who have more years of credited service but who are not eligible to retire may opt for the special retirement benefit. Your Committee believes that, without the assistance provided under this measure, certain public employees may face permanent, economic hardship through no fault of their own.

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. 2077, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

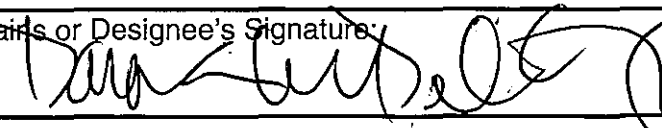


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2011, SD 1	Committee Referral: SDL, WAM	Date: 3/2/16		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	.			/
GALUTERIA, Brickwood	.			/
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	.			/
SLOM, Sam	/			
TOTAL	8			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chairs 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