

STAND. COM. REP. NO. 2451

Honolulu, Hawaii

FEB 19 2016

RE: S.B. No. 2841

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

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2841 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to require the State and counties to make their required contributions to the Employees' Retirement System (ERS) on a monthly basis or in advance in an amount greater than the amount payable for the current fiscal quarter.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee finds that under existing law, employer contributions to the ERS are required to be made on a monthly basis. While advance payment is not prohibited, existing law may be interpreted to require an employer who makes an advance contribution to the ERS to also make monthly payments even if the advance payment covered the required monthly payment amount. Implementation of this measure provides clarity regarding state and county contributions to the ERS and provides the ERS with the opportunity to invest funds sooner for greater investment returns by removing any disincentives to employers for making advance payments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report,

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your Committee is in accord with the intent and purpose of S.B. No. 2841 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,

  
\_\_\_\_\_  
GILBERT S.C. KEITH-AGARAM, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:* <b>GB 2841</b>	Committee Referral: <b>JDL, WAM</b>	Date: <b>2/17/16</b>		
<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				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
KEITH-AGARAN, Gilbert S.C. (C)	/			
SHIMABUKURO, Maile S.L. (VC)	/			
GABBARD, Mike	/			
KIM, Donna Mercado				/
THIELEN, Laura H.	/			
SLOM, Sam	/			
<b>TOTAL</b>	<b>5</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original                     Yellow                     Pink                     Goldenrod File with Committee Report                     Clerk's Office                     Drafting Agency                     Committee File Copy				

\*Only one measure per Record of Votes