

STAND. COM. REP. NO.

1181

Honolulu, Hawaii

March 21, 2017

RE: S.B. No. 133
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 133, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES' FRINGE BENEFITS,"

begs leave to report as follows:

The purpose of this measure is to ensure that the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) and the Employees' Retirement System (ERS) update their financial status information on a more frequent basis by:

- (1) Requiring the actuary of the EUTF to annually prepare a valuation report of the fund;
- (2) Requiring the actuary to include an update of assumptions specific to the fund at least once every three years in the annual valuation of the fund; and
- (3) Reducing the maximum period between experience studies of the ERS from five to three years.

The EUTF provided comments on this measure.



Your Committee has amended this measure by:

- (1) Changing the time period for the actuary to include an update of assumptions specific to the fund from at least once every three years to an unspecified amount of time;
- (2) Changing the maximum period between experience studies of the ERS from three years to an unspecified amount of time; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 S.B. No. 133, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 133, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



AARON LINE JOHANSON, Chair



