STAND. COM. REP. NO.

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:

- 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

State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 133, SO2	Committee Referral: LAB, FIN	Date: 03-16-17		
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)				
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2. HOLT, Daniel (VC)	\	St. St. Str. 5 (1984)		The state of the s
3. KEOHOKALOLE, Jarrett				
4. NAKASHIMA, Mark M.				
5 VAMACHITA V-10 T				
5. YAMASHITA, Kyle T.				
6. MATSUMOTO, Lauren Kealoh	ilani			
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TOTAL (6)	6	G	0	0
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				