

STAND. COM. REP. NO.

1742

Honolulu, Hawaii

April 7, 2017

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

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 133, S.D. 2, H.D. 1, 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 on a more frequent basis by:

- (1) Requiring the actuary of the EUTF to make an annual valuation report of the EUTF;
- (2) Requiring the actuary to periodically include an update of assumptions specific to the EUTF in the annual valuation report; and
- (3) Increasing the frequency of conducting experience studies of the ERS.

The ERS and EUTF provided comments.

SB133 HD2 HSCR FIN HMS 2017-3444

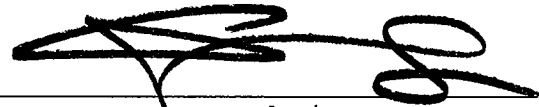


Your Committee has amended this measure by:

- (1) Changing the time period for the actuary to include an update of assumptions specific to the EUTF to once every three years;
- (2) Changing the maximum period between experience studies of the ERS to three years;
- (3) Changing its effective date to take effect upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 133, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 133, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



SYLVIA LUKE, Chair



