

STAND. COM. REP. NO. 1331

Honolulu, Hawaii

March 24, 2017

RE: S.B. No. 936  
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. 936, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to make housekeeping amendments to statutes relating to the Employees' Retirement System.

Specifically, the measure:

- (1) Extends the benefit finalization period for December 31 retirements;
- (2) Changes the interest rate for late benefit finalizations;
- (3) Extends the deadline for certain employer payments; and
- (4) Allows a delegation of certain disability retirement and service-connected death benefit approval functions.



The Employees' Retirement System and Department of Budget and Finance testified in support of this measure. The City and County of Honolulu provided comments.

Your Committee has amended this measure by:

- (1) Incrementally increasing the rates for employer contributions to the Employees' Retirement System to assure that the State maintains a 30-year schedule to amortize its unfunded liability; and
- (2) Making technical, nonsubstantive changes 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. 936, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 936, 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,



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AARON LING JOHANSON, Chair



