STAND. COM. REP. NO. 1696

Honolulu, Hawaii

, 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 Finance, to which was referred S.B. No. 936, S.D. 2, H.D. 1, 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 update statutes relating to the Employees' Retirement System (ERS).

Specifically, this measure:

- (1) Extends the benefit finalization period for December 31 retirements;
- (2) Changes the interest rate applicable to late benefit finalizations;
- (3) Extends the deadline for employer payments relating to significant non-base pay increases for certain employees;
- (4) Allows an entity designated by the ERS Board of Trustees to certify a member's mental or physical incapacity for purposes of determining the member's eligibility for an

ordinary disability retirement allowance, service-connected disability benefits, or accidental death benefits; and

(5) Incrementally increases the rates for employer contributions to the Employees' Retirement System.

The Department of Budget and Finance, Employees' Retirement System, and Finance Department of the County of Hawaii supported this measure.

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. 936, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

SYLVIA LUKE, Chair

## State of Hawaii House of Representatives The Twenty-ninth Legislature



## **Record of Votes of the Committee on Finance**

Bill/Resolution No.: SB 936, SD2, HD1	Committee Referral:         Date:           LAB, FIN         03/31/2017			
☐ 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. CULLEN, Ty J.K. (VC)	/			
3. CACHOLA, Romy M.		. 1. 4. 1		
4. CHOY, Isaac W.				
5. DeCOITE, Lynn			5.	y 2
6. GATES, Cedric Asuega	V			
7. HOLT, Daniel				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand	V			
10. LoPRESTI, Matthew S.	/			
11. LOWEN, Nicole E.				
12. NAKAMURA, Nadine K.				
13. TOKIOKA, James Kunane			<u>.</u>	
14. QUINLAN, Sean				
15. YAMASHITA, Kyle T.	<u> </u>			
16. TUPOLA, Andria P.L.				
17. WARD, Gene				
				-
TOTAL (15)				
TOTAL (17)	15	Ø .	Ø	2
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
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