

Honolulu, Hawaii

FEB 17 2017

RE: S.B. No. 936
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 936 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the pension benefit adjustment finalization period by one month for those who retire on December 31;
- (2) Change the interest rate for late benefit finalizations;
- (3) Extend the deadline from one to two fiscal years following retirement for employer payments of additional retirement contributions associated with significant non-base pay increases; and
- (4) Allow delegation of certain disability retirement benefit and accidental death benefit approval functions.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee finds that this measure serves as a housekeeping measure for the Employees' Retirement System to correct and make consistent finalized benefit adjustment periods, address employer concerns regarding payments for pension



"spiking", and improve the efficiency of processing disability and accidental death claims.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 936, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 936, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
 Committee on Judiciary and Labor
 JDL

Bill / Resolution No.:* SB 936	Committee Referral: JDL, WAM	Date: 2/14/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado	✓			
THIELEN, Laura H.	✓			
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes