

STAND. COM. REP. NO. 3643

Honolulu, Hawaii

APR 06 2018

RE: H.B. No. 2341
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2341, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO QUALIFIED DOMESTIC RELATIONS ORDERS,"

begs leave to report as follows:

The purpose and intent of this measure is to make changes to Act 263, Session Laws of Hawaii 2016, which established procedures on how qualified domestic relations orders are to be handled by the Employees' Retirement System.

Specifically, this measure:

- (1) Allows the Employees' Retirement System to make direct payments to spouses or former spouses of former Employees' Retirement System members with vested benefit status when the former spouse has been awarded all or a portion of Employees' Retirement System retirement benefits as ordered or decreed in a domestic relations proceeding;
- (2) Makes consistent the benefits payable to an alternate payee whether the Hawaii qualified domestic relations order is certified prior to, or after, the member,



former member with vested benefit status, or retirant retires;

- (3) Delays the effective date of Act 263, Session Laws of Hawaii 2016, from July 1, 2018, to July 1, 2020; and
- (4) Makes an appropriation to implement the measure.

Your Committee received written comments in support of this measure from the Employees' Retirement System and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that a delay of the effective date of Act 263, Session Laws of Hawaii 2016, is required for the development of resources necessary to support the implementation of the law, to cover the costs of computer system modifications, and for education of members and other affected parties.

Your Committee has amended this measure by:

- (1) Specifying that the appropriation shall be for computer and office automation to support the implementation of the measure;
- (2) Designating the Department of Budget and Finance as the expending agency for the appropriation; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2341, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2341, H.D. 1, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



