

STAND. COM. REP. NO. **2774**

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 101
S.D. 1

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 S.B. No. 101 entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds in compliance with Article VII, section 6, of the Hawaii State Constitution.

For the purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which requires that employer contributions to the Employees' Retirement System be paid from the same special fund revenues under which the employee was hired.

Your Committee received testimony in opposition to the Proposed Draft from the University of Hawaii System.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance.

Your Committee finds that requiring employer contributions to the Employees' Retirement System to be paid from the same special fund that funds an employee's salary or wages will help to



properly allocate the full cost of each employee to the appropriate source of revenues.

Your Committee has amended this measure by adopting the Proposed Draft with the additional amendment that the special fund revenues funding the employer's contribution to the Employees' Retirement System on behalf of the employee shall be those of the special fund under which the employee is funded, rather than hired.

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 S.B. No. 101, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 101, S.D. 1.

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


DONOVAN M. DELA CRUZ, Chair



