

Honolulu, Hawaii

FEB 15 2018

RE: S.B. No. 2357

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

Sir:

Your Committee on Labor, to which was referred S.B. No. 2357
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:

- (1) Deposit funds into the emergency and budget reserve fund;
- (2) Appropriate funds for pre-payment of the State's unfunded accrued pension liability for state employees; and
- (3) Appropriate funds for pre-payment of the State's annual required contribution to cover its other post-employment benefit liability under the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that whenever the state general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years, article VII, section 6, of the Hawaii State Constitution mandates the Legislature to take certain action



regarding the use of the excess general fund revenues. Under the constitutional amendment of Senate Bill No. 2554 passed during the 2016 Regular Session and approved by the voters on November 8, 2016, the Legislature may, among other options, appropriate excess general fund revenues for the pre-payment of the State's pension or other post-employment benefit liability. Senate Bill No. 2554 also retains the option to deposit excess general fund revenues into the emergency and budget reserve fund. This measure utilizes the options provided by Hawaii voters.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2357 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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

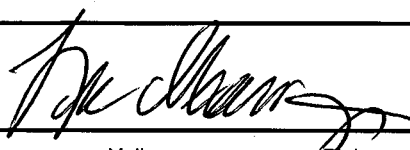


JILL N. TOKUDA, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Labor
LBR

Bill / Resolution No.:* SB2357	Committee Referral: LBR, WAM	Date: 2/13/18		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
ENGLISH, J. Kalani (VC)	✓			
CHANG, Stanley	✓			
IHARA, Jr., Les	✓			
TANIGUCHI, Brian T.	✓			
TOTAL	5	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes