

SB 2734

SD-2

**RELATING TO
EMPLOYEE'S
DESIGNATION OF
BENEFICIARY FORM**

A BILL FOR AN ACT

RELATING TO EMPLOYEE'S DESIGNATION OF BENEFICIARY FORM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 78-23, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) Upon discharge, an employee shall be entitled to all
4 of the employee's accumulated vacation allowance plus the
5 employee's current accrued vacation allowance to and including
6 the date of discharge, notwithstanding that the current accrued
7 vacation allowance may not have been recorded at the time. If
8 any employee dies with accumulated or current accrued vacation
9 earned but not taken, an amount equal to the value of the
10 employee's pay over the period of [~~such~~] the earned vacation,
11 and any earned and unpaid wages, shall be paid [~~to~~]:

12 (1) To the person or persons who may have been designated
13 as the beneficiary or beneficiaries by the employee
14 during the employee's lifetime in a [~~verified written~~]
15 statement filed either with the comptroller or other
16 disbursing officer who issues warrants or checks to
17 pay the employee for the employee's services as a



1 public employee[~~7~~] or with the department in which the
2 employee was employed; or [~~7~~, failing]
3 (2) In the absence of a designation, to the employee's
4 estate."

5 SECTION 2. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 3. This Act shall take effect on January 1, 2050.



Report Title:

Employee's Designation of Beneficiary Form

Description:

Allows a public employee's designation of beneficiary form to be filed in the department where the employee is employed. Permits the designation to be filed and maintained electronically. Effective 1/1/2050. (SD2)

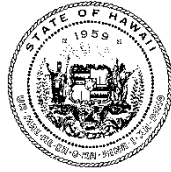
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TESTIMONY



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF
RODERICK K. BECKER, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
ON
MARCH 20, 2018
10:00 A.M.
CONFERENCE ROOM 309

S.B. 2734, S.D. 2

RELATING TO EMPLOYEE'S DESIGNATION OF BENEFICIARY FORM.

Chair Johanson, Vice Chair Holt, and members of the Committee, thank you for the opportunity to testify on S.B. 2734, S.D. 2.

The Department of Accounting and General Services (DAGS) strongly supports this bill and offers the following comments for your consideration.

The current statute requires the Employee's Designation of Beneficiary Form to be written and notarized and filed with the Comptroller. This requirement has resulted in thousands of forms being maintained in a central location at DAGS. Maintaining the forms, which includes alphabetically filing forms from new employees, filing updated forms from current employees, and purging forms of employees no longer employed, is manual and extremely labor intensive. By having the forms kept in the employing department, this form as well as other payroll and personnel forms would routinely be discarded when no longer required.

The State is in the process of implementing a new payroll system which may be able to maintain beneficiary information entered by the employee. This bill also eliminates the requirement that the form be written and notarized which will allow the new system to maintain the beneficiary information in an electronic format.

Thank you for the opportunity to testify on this matter.

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TESTIMONY