

Honolulu, Hawaii

FEB 14

, 2020

RE: H.B. No. 2485
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2485 entitled:

"A BILL FOR AN ACT RELATING TO HAWAII NATIONAL GUARD
RETIREMENT BENEFITS,"

begs leave to report as follows:

The purpose of this measure is to require the Board of Trustees of the Employees' Retirement System to conduct a study and recommend state retirement benefits for Hawaii National Guard members who are activated under state active duty orders.

Your Committee received testimony in support of this measure from Hawaii National Guard, Hawaii National Guard Enlisted Association, and five individuals. Your Committee received testimony in opposition to this measure from the Board of Trustees of the Employees' Retirement System.

Your Committee finds that the Hawaii National Guard was activated multiple times during 2018 to provide disaster response under the emergency proclamation for Kauai flooding and the lava emergency proclamation, both of which were extended multiple times through supplemental emergency proclamations. These state active duty activations led Hawaii National Guard members to serve as long as six months of continuous service. This measure considers whether retirement benefits for National Guard members who have



been activated by the governor through state active duty orders should be afforded benefits.

Your Committee has amended this measure by:

- (1) Expanding the scope of the study to include examining:
 - (A) The impacts of providing retirement benefits for Hawaii National Guard members on the unfunded liabilities of the Employees' Retirement System; and
 - (B) The differences between full-time and part-time beneficiaries of the Employees' Retirement System, and intermittent employees, in relation to providing state retirement benefits to these types of employees;
- (2) Clarifying that the requirement to recommend a program with policies to provide Hawaii National Guard members with retirement benefits is dependent on whether the Board of Trustees of the Employees' Retirement System finds that such a program is viable and feasible;
- (3) Changing its effective date to January 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the moratorium on the enhancement of Employees' Retirement System benefits under section 88-99, Hawaii Revised Statutes, may conflict with this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2485, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2485, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,


AARON LING JOHANSON, Chair



