STAND. COM. REP. NO. 1080 -20

Honolulu, Hawaii

MAR 13' 2020

RE: S.B. No. 2576

S.D. 2 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 S.B. No. 2576, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO REIMBURSEMENTS FOR STATE CONTRIBUTIONS,"

begs leave to report as follows:

The purpose of this measure is to exempt the University of Hawaii from reimbursing the State for contributions made by the State to the Hawaii Employer-Union Health Benefits Trust Fund and the Employees' Retirement System for university employees whose salary costs are paid by the University of Hawaii Tuition and Fees Special Fund.

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

Your Committee finds that this measure codifies an existing cost-sharing practice that the Department of Budget and Finance, Department of Accounting and General Services, and University of Hawaii have utilized for the last fifteen years as a cost-sharing agreement that benefits the University of Hawaii and state government.

Your Committee has amended this measure by:

- (1) Providing that legislatively authorized positions of the University of Hawaii that have salary costs paid by the University of Hawaii Tuition and Fees Special Fund may be exempted from reimbursement to the State pursuant to an executive order:
- (2) Specifying that the University of Hawaii annual report submitted to the Legislature shall be in conformance with the reporting requirements of the executive order;
- (3) Removing the provision that establishes a cap on the salary costs exempted from reimbursement to the State;
- (4) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 2576, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2576, S.D. 2, H.D. 1, and be referred to your Committee on Lower & Higher Education.

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



## State of Hawaii House of Representatives The THIRTIETH Legislature

## Record of Votes of the Committee on Labor & Public Employment

8Bill/Resolution No.: 16502 Committee	Referral: LHE, FI	Date:	3-12-	20
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	V			
2. ELI, Stacelynn K.M. (VC)	V			and a second of the second
3. ICHIYAMA, Linda				
4 KITACAWA Lico	3			
4. KITAGAWA, Lisa	V			
5. McKELVEY, Angus L.K.				
Treated the second second				
6. QUINLAN, Sean				
7. YAMASHITA, Kyle T.	V		and the second of the second o	EB. 1 - 1945 A. P. P. P. P. P. P. B.
8. MATSUMOTO, Lauren				
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TOTAL (8)	5			3
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
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