

STAND. COM. REP. NO.

993

Honolulu, Hawaii

MAR 17 , 2021

RE: S.B. No. 912  
S.D. 1  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred S.B. No. 912, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize a court to order the forfeiture of one half of the Employees' Retirement System benefits of a member, former member, or retirant upon conviction of the individual for a felony related to the state or county employment of the individual;
- (2) Authorize designated beneficiaries to receive the Employees' Retirement System benefits to which the member, former member, or retirant would be entitled upon the death of the member, former member, or retirant; and
- (3) Prohibit designated beneficiaries convicted of a felony under the same set of circumstances as the member, former member, or retirant who was subject to forfeiture

2021-2418 SB912 HD1 HSCR HMSO



of benefits of the Employees' Retirement System from receiving those benefits.

Your Committee received testimony in support of this measure from the Board of Trustees of the Employees' Retirement System, Hawai'i State Ethics Commission, Common Cause Hawaii, and nine individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that public officers and employees are responsible for upholding the public's trust in government and democracy. The public's confidence in government and democracy is undermined when public officers and employees engage in misconduct related to their state or county employment.

Your Committee further finds that, while existing law requires an employee of the State or county who is convicted of a felony to have their employment terminated, the employee is still entitled to receive benefits from the Employees' Retirement System. This measure will demonstrate that the State takes the ethics of its employees seriously by authorizing the forfeiture of one half of an employee's retirement benefits upon a court determination that the employee has been convicted of an employment-related felony.

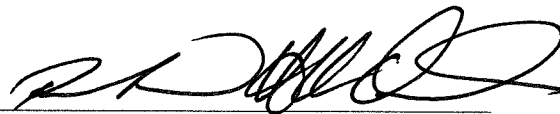
Your Committee has amended this measure by:

- (1) Simplifying the language relating to forfeiture of one half of benefits, by referring to reducing or resuming payments upon receipt of a certified copy of the court order; and
- (2) 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 & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 912, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 912, S.D. 1, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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



RICHARD H.K. ONISHI, Chair



