STAND. COM. REP. NO. 224

Honolulu, Hawaii FEB 14 , 2022

RE: H.B. No. 2105 · H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 2105 entitled:

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

begs leave to report as follows:

The purpose of this measure is to address recent court rulings awarding State of Hawaii Employees' Retirement System service-connected disability retirement or accidental death benefits by clarifying:

- (1) The requirements applicable to each; and
- (2) The burden of proof and evidentiary requirements applicable to petitions for contested case hearings regarding disability retirement or accidental death benefits.

Your Committee received testimony in support of this measure from the State of Hawaii Employees' Retirement System Board of Trustees.

Your Committee finds that, in light of recent court rulings, this measure is necessary to clarify the Legislature's intent concerning the applicability of the State of Hawaii Employees'



STAND. COM. REP. NO. 224 22 Page 2

Retirement System service-connected disability retirement and accidental death benefits. This measure will help to curb the unintended growth in the State of Hawaii Employees' Retirement System's unfunded liability.

Your Committee has amended this measure by:

- Moving the new provision relating to the burden of proof and evidentiary requirements when a member or applicant initiates a proceeding, to the statutory section relating to petitions for contested case hearings regarding disability retirement or accidental death benefits;
- (2) Moving the new provision relating to permanent incapacity as it relates to an application for serviceconnected disability retirement to the statutory section relating to service-connected disability retirement;
- (3) Changing the effective date to December 25, 2040, to encourage further discussion; and
- (4) 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 H.B. No. 2105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2105, H.D. 1, and be referred to your Committee on Finance.

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

RÍCHARD H.K. ONISHI, Chair

2022-1174 HB2105 HD1 HSCR HMSO

State of Hawaii House of Representatives The Thirty-first Legislature



Record of Votes of the Committee on Labor & Tourism

Bill/Resolution No.: HIB 2105	Committee Referral: $LAT_{I}FIN$		Date: 02/08/2022	
□ 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) □ □ □				
LAT Members	Ayes	Ayes (WR)	Nays	Excused
1. ONISHI, Richard H.K. (C)	/			
2. SAYAMA, Jackson D. (VC)				
3. BELATTI, Della Au				
4. HOLT, Daniel				
5. KOBAYASHI, Dale T.			Rom Stilling	
J. KODATASIII, Dak T.				
6. QUINLAN, Sean			<u> 1997 - Andrea Stan, palan kan da kal</u> an b	
7. TAKAYAMA, Gregg	/			
8. OKIMOTO, Val	/			
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TOTAL (8)	8			
The recommendation is: Adopted I Not Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committ	tee Duplicate (Yellow) -	- Chief Clerk's Office	e Duplicate (Pink) – HMSO