

Honolulu, Hawaii

**FEB 16**, 2024

RE: H.B. No. 2395  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committees on Labor & Government Operations and  
Corrections, Military, & Veterans, to which was referred H.B. No.  
2395 entitled:

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

beg leave to report as follows:

The purpose of this measure is to exempt a Hawaii National  
Guard service member ordered to active duty in service of the  
State from enrollment in the Employees' Retirement System  
throughout the person's active duty.

Your Committees received testimony in support of this measure  
from the Hawai'i Emergency Management Agency; Hawai'i Army National  
Guard; and numerous individuals. Your Committees received  
comments on this measure from the Employees' Retirement System.

Your Committees find that Hawaii National Guard personnel who  
are ordered to active duty in the service of the State face unique  
challenges with their retirement system due to the temporary  
nature of their orders. After ninety days of active-duty service  
to the State, new service members become eligible for new  
enrollment in the Employees' Retirement System and are required to  
make mandatory contributions. While Employees' Retirement System  
contributions can be reimbursed to the service member once their  
duty is completed, this creates a financial hardship for the



service member. This measure exempts Hawaii National Guard service members ordered to active duty in service of the State from mandatory enrollment in the Employees' Retirement System and removes the financial burden of mandatory contributions.

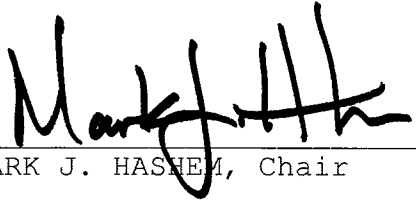
Your Committees have amended this measure by:

- (1) Clarifying that Hawaii National Guard service members ordered into active duty to provide services to the State shall be ineligible for membership in the Employees' Retirement System based on the active duty;
- (2) Deleting provisions related to benefits for members who take a leave of absence to be on active duty in service to the State and requirements to make employee contributions;
- (3) Clarifying that a Hawaii National Guard service member who is an existing employee of the State or counties shall not be precluded from membership in the Employees' Retirement System;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Government Operations and Corrections, Military, & Veterans that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2395, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2395, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committees on Labor &  
Government Operations and  
Corrections, Military, &  
Veterans,

  
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MARK J. HASHEEM, Chair

  
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SCOT Z. MATAYOSHI, Chair



