

STAND. COM. REP. NO. 541

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 1312  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred  
S.B. No. 1312 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify the  
conditions under which service-connected disability and accidental  
death benefits are provided to members of the Employees'  
Retirement System.

Your Committee received testimony in support of this measure  
from the Employees' Retirement System and one individual.

Your Committee finds that the purpose of the State's service-  
connected disability retirement and accidental death provisions is  
to provide a unique set of benefits to compensate members in  
hazardous occupations who have incurred certain permanent injuries  
while in the performance of their duties, accidental death in the  
performance of their duties, and for the cumulative impact of  
exposure to occupational hazards. However, recent court rulings  
have awarded service-connected disability retirement and  
accidental death provisions in a similar manner as service  
retirement, ordinary disability retirement, ordinary death  
benefits, workers' compensation, and social security disability  
benefits. Not only is this interpretation of the State's service-



connected disability retirement and accidental death provisions beyond the Legislature's intent, but the awards under this interpretation are increasing the unfunded liabilities of the State. Your Committee further finds that this measure will not affect the current provision of service-connected disability retirement and accidental death benefits to existing members of the Employees' Retirement System.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1312, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor and  
Technology,



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SHARON MORIWAKI, Chair



