

Honolulu, Hawaii

APR 26 2024

RE: S.B. No. 3070
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3070, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to gradually reduce the Employees' Retirement System's maximum funding period to amortize the total unfunded accrued liability from thirty years to twenty years.

Your Committee on Conference finds that due to the Employees' Retirement System's (System) long-term investment performance, the funding period in which the System is expected to be fully funded has steadily decreased from the forecasted thirty years in fiscal year 2015-2016 to twenty-four years in fiscal year 2021-2022. Therefore, this measure will reduce the maximum projected funding period to amortize the total unfunded accrued liability of the



System from thirty years to twenty years, which would lower future costs, align the System with new Actuarial Standards of Practice, and allow the State to receive favorable ratings from bond rating agencies.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2024.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3070, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3070, H.D. 1, C.D. 1.


Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE




SCOT Z. MATAYOSHI
Co-Chair



HENRY J. C. AQUINO
Chair



ANDREW GARRETT
Co-Chair



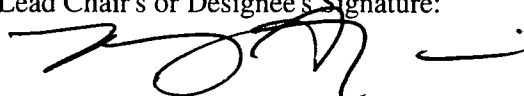
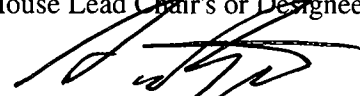
SHARON MORIWAKI
Co-Chair



Hawai'i State Legislature

CCR 91-24

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 3070, HD 1					Date/Time: 4/24/24 10:17 AM				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
AQUINO, Henry J.C., Chr.	✓				MATAYOSHI, Scot Z., Co-Chr.	✓			
MORIWAKI, Sharon Y., Co-Chr.	✓				GARRETT, Andrew Takuya, Co-Chr.	✓			
FEVELLA, Kurt	✓				TAM, Adrian K.	✓			
					ALCOS III, David	✓			
TOTAL	3				TOTAL	4			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
Distribution: Original		Yellow			Pink		Goldenrod		
File with Conference Committee Report		House Clerk's Office			Senate Clerk's Office		Drafting Agency		