

STAND. COM. REP. NO. **2359**

Honolulu, Hawaii

**FEB 14 2024**

RE: S.B. No. 3099  
S.D. 1

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

Sir:

Your Committee on Labor and Technology, to which was referred  
S.B. No. 3099 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Reduce the minimum number of years of credited service that qualified Tier 2 Employees' Retirement System members must have to be eligible for vested benefit status for service retirement allowance purposes from ten years to five years; and
- (2) Appropriate funds for investments of the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Labor and Industrial Relations; Department of Budget and Finance; Employees' Retirement System Board of Trustees; City and County of Honolulu Department of Human Resources; University of Hawaii Professional Assembly; and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committee received comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund.




Your Committee finds that state and county governments in Hawaii are experiencing the tough challenges and difficult impacts of job vacancies. Public sector vacancies impede economic growth and hamper a government's ability to serve the public. This measure will assist state and county employers in recruiting and retaining qualified employees by reducing the Employees' Retirement System vesting requirements.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 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. 3099, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3099, S.D. 1, and be referred to your Committee on Ways and Means.

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

  
HENRY J. C. AQUINO, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Labor and Technology**  
**LBT**

Bill / Resolution No.:* <b>SB3099</b>	Committee Referral: <b>LBT, WAM</b>	Date: <b>2/9/24</b>
--	--	------------------------

The Committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312    
  Pass, with amendments 2311    
 Hold 2310    
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
IHARA, Jr., Les	X			
LEE, Chris	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>5</b>			

Recommendation:    
 Adopted    
 Not Adopted

Chair's or Designee's Signature: \_\_\_\_\_

**Distribution:**    
 Original     Yellow     Pink     Goldenrod  
 File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy

**\*Only one measure per Record of Votes**