

Honolulu, Hawaii

APR 25 2025

RE: S.B. No. 935
S.D. 2
H.D. 3
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 935, S.D. 2, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

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 and intent of this measure is to revise certain provisions regarding state employee retirements.

More specifically, the measure:

- (1) Amends the retirement allowance for a member who first earns credited service as a judge after June 30, 2031, to 1.75 per cent of the member's average final compensation for each year of credited service as a judge;
- (2) Includes sheriffs and deputy sheriffs in the enhanced retirement benefits category;



- (3) Reduces from ten years to five years, the minimum number of years of credited service that qualified Class H, Tier 2 members of the Employees' Retirement System must have to be eligible for vested benefit status for service retirement allowance purposes; and
- (4) Increases employer contributions to offset the resulting fiscal liability.

Your Committee on Conference finds that easing the requirements for certain public employees to be eligible for retirement benefits could help to improve employee recruitment and retention. Your Committee believes that the impacts and benefits of these potential eligibility changes merit additional study.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would:
 - (A) Include sheriffs and deputy sheriffs in the enhanced retirement benefits category under section 88-74(f), Hawaii Revised Statutes; and
 - (B) Reduce from ten years to five years, the minimum number of years of credited service that Class H, Tier 2 members of the Employees' Retirement System must have to be eligible for vested benefit status for service retirement allowance purposes;
- (2) Requiring the Department of Human Resources' Development to study the impacts and benefits of reducing from ten years to five years, the minimum number of years of credited service that qualified Class H, Tier 2 members of the Employees' Retirement System must have to be eligible for vested benefit status for service retirement allowance purposes;
- (3) Appropriating \$300,000 in general funds to the Department of Human Resources Development to conduct the study; and
- (4) Changing the effective date to July 1, 2025.

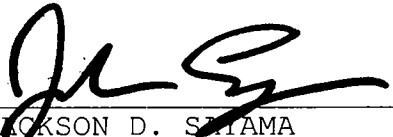


As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 935, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 935, S.D. 2, H.D. 3, C.D. 1.

Respectfully submitted on behalf
of the managers:

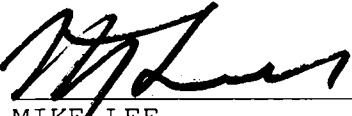
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE


JACKSON D. SHIMAMA
Co-Chair


HENRY J.C. AQUINO
Chair


DAVID A. TARNAS
Co-Chair




MIKE LEE
Co-Chair



Hawai'i State Legislature

Record of Votes of a Conference Committee

CLR 162

Bill / Concurrent Resolution No.: SB 935, SD 2, HD 3					Date/Time: 4/25/20 10:32AM					
<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.	✓				SAYAMA, Jackson D., Co-Chr.	✓				
HASHIMOTO, Troy N.				✓	TARNAS, David A., Co-Chr.	✓				
RHOADS, Karl	✓				LEE, Mike, Co-Chr.	✓				
FEVELLA, Kurt	✓				REYES ODA, Julie		✓			
TOTAL	3	0	0	1	TOTAL	3	1	0	0	
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused			
Senate Recommendation is:					House Recommendation is:					
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					<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	