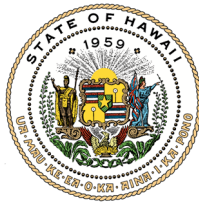


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



MIKE LAMBERT
DIRECTOR

SYLVIA LUKE
LT GOVERNOR
KE KE'ENA

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LAW ENFORCEMENT
Ka 'Oihana Ho'okō Kānāwai
715 South King Street
Honolulu, Hawaii 96813

JARED K. REDULLA
Deputy Director
Law Enforcement

TESTIMONY ON SENATE BILL 442
RELATING TO GOVERNMENT
Before the Senate Committee on
WAYS AND MEANS
JUDICIARY

Wednesday, February 19, 2025, 10:15 AM
State Capitol Conference Room 211 & Videoconference
Testifiers: Brandon Asuka

Chairs Dela Cruz, Rhoads, Vice Chairs Moriwaki, Gabbard, and members of the Committee:

The Department of Law Enforcement (DLE) supports Senate Bill 442. This bill allows retirants to be employed as investigators in positions identified by the Department of the Attorney General or in excluded management positions identified by the Department of Agriculture without re-enrollment in the Employees' Retirement System (ERS) and without loss of retirement benefits, subject to certain conditions.

The DLE recognizes the need to address staffing shortages in investigator positions and difficult-to-fill management roles within state departments. This measure provides a practical solution by allowing experienced retirees to return to service while maintaining their earned retirement benefits, subject to appropriate safeguards such as the twelve-month separation requirement and prohibition of pre-retirement agreements.

The bill's provisions align with sound personnel management practices by requiring employer contributions to the pension accumulation fund and establishing precise reporting requirements. These measures ensure transparency and maintain the integrity of the retirement system while addressing crucial staffing needs in law enforcement and agricultural management positions.

DLE requests that the following amendment be made to include DLE investigators in the language:

1. On page 1, amending lines 8-10 to read:
“The legislature further finds that there is a labor shortage that makes it difficult to fill investigator positions in the department of the attorney general and the department of law enforcement”.
2. On page 4, amending lines 19-21 to read:
“(6) As an investigator identified by the department of the attorney general or the department of law enforcement as a labor shortage or difficult-to-fill position; provided that:”
3. On page 5, amending lines 8-12 to read:
“(C) The department of the attorney general and the department of law enforcement shall contribute to the pension accumulation fund the required percentage of the rehired retirant's compensation to amortize the system's unfunded actuarial accrued liability; or”

Thank you for the opportunity to testify in support of this bill.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON WAYS AND MEANS AND JUDICIARY

WEDNESDAY, FEBRUARY 19, 2025
10:15 AM
CONFERENCE ROOM 211

SENATE BILL NO. 442
RELATING TO GOVERNMENT

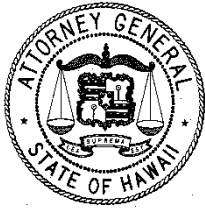
Chairs Dela Cruz and Rhodes, Vice Chairs Moriwaki and Gabbard and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 442 that allows a retirant to be employed without reenrollment in the Employee's Retirement System (ERS) and without loss or interruption of benefits provided by the ERS or under chapter 88, HRS, if the retirant is employed as an investigator in a position identified by the Department of the Attorney General or an excluded management position identified by the Department of Agriculture as a labor shortage of difficult-to-fill position, subject to certain conditions Requires the Director of Human Resources of the appropriate state jurisdiction of the human resources management chief executive of each county to include in their annual reports to the Legislature, details on the employment of retirants as investigators pursuant to this measure.

The Department of Agriculture supports this bill as it removes the risk to retirees to return to work without reenrollment in ERS and without loss or interruption of earned benefits provided by the ERS.

Thank you for the opportunity to testify on this measure.





**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

LATE

ON THE FOLLOWING MEASURE:
S.B. NO. 442, RELATING TO GOVERNMENT.

BEFORE THE:
SENATE COMMITTEES ON WAYS AND MEANS AND ON JUDICIARY

DATE: Wednesday, February 19, 2025 **TIME:** 10:15 a.m.

LOCATION: State Capitol, Room 211

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Diane W. Wong and Jenny J. Nakamoto, Deputy Attorneys General

Chairs Dela Cruz and Rhoads, and Members of the Committee:

The Department of the Attorney General (Department) supports the portion of this bill addressing investigators identified by the Department as a labor shortage or difficult-to-fill position and takes no position regarding the portion of this bill addressing management positions excluded from collective bargaining under chapter 89, Hawaii Revised Statutes (HRS), and identified by the Department of Agriculture as a labor shortage or difficult-to-fill position.

This bill amends section 88-9, HRS, to provide that a retirant may be employed without reenrollment in the Employees' Retirement System (ERS) and without suffering loss or interruption of benefits provided by the ERS or under chapter 87A, HRS, subject to certain conditions, if the retirant is employed as an investigator in a position identified by the Department as a labor shortage or difficult-to-fill position. This bill also provides remedies for ERS if the retirant is reemployed in violation of chapter 88, HRS, and the Internal Revenue Code. The bill also requires the Director of Human Resources Development to include details on the employment of retirants as investigators by the Department in the annual report to the Legislature required under section 88-9(f), HRS.

The Department has identified certain positions of "investigator" as difficult to fill positions that are critically important to the Department's law enforcement capability and objectives. This bill will allow the Department to rehire a retired law enforcement officer as an investigator without the investigator having to re-enroll in the ERS or suffer any

loss of benefits so long as: (a) the retirant remains out of state or county employment for at least twelve consecutive calendar months prior to reemployment; (b) the Department identifies a labor shortage or difficult-to-fill position; and (c) the Department confirms that there was no agreement for the retirant to return to work after retirement. Given the Department's long-standing need for investigators, this bill will help to expedite the process of bringing trained, experienced investigators back to the work force.

The Department respectfully asks the Committee to pass the portion of this bill addressing investigators identified by the Department as a labor shortage or difficult-to-fill position, in its current form at pages 4, line 19, through page 5, line 12, and with amendment at page 6, line 14, to cross-reference to the portion of this bill addressing management positions should it be deemed appropriate.

Thank you for considering our testimony in support of this bill.

SB-442

Submitted on: 2/18/2025 9:19:45 AM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Danielle Frohlich	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair and Members of the Committee,

I am writing to express my opposition to SB 442, which allows a retirant to be employed without reenrollment in the Employees' Retirement System (ERS) and without loss or interruption of benefits, if employed as an investigator or in certain management positions identified as labor shortage or difficult-to-fill.

While addressing labor shortages is important, this measure raises concerns about the potential for misuse and lack of accountability. Allowing retirants to bypass the standard reenrollment process and continue receiving benefits without interruption could undermine the integrity of the ERS and create an uneven playing field for other employees.

I urge the committee to reconsider SB 442 and explore alternative solutions to address labor shortages that maintain fairness and transparency within the system.

Mahalo for the opportunity to testify.

SB-442

Submitted on: 2/18/2025 9:25:50 AM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul McDonald	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express my opposition to SB 442, which allows a retirant to be employed without reenrollment in the Employees' Retirement System (ERS) and without loss or interruption of benefits if employed as an investigator or in certain management positions identified as labor shortage or difficult-to-fill.

While addressing labor shortages is important, this measure raises concerns about potential misuse and lack of accountability. Allowing retirants to bypass the standard reenrollment process and continue receiving benefits without interruption could undermine the integrity of the ERS and create an uneven playing field for other employees.

I urge the committee to reconsider SB 442 and explore alternative solutions to address labor shortages that maintain fairness and transparency within the system.

Hawaii State Senate

Committees on Ways and Means and Senate Judiciary

February 19, 2025

10:15a

Hawaii State Capitol Conference Room 211

Subject – TESTIMONY on SB 422

Aloha Chairs, Vice Chairs and Members of the Ways and Means and Senate Judiciary Committees.

I am providing testimony as an individual regarding of SB442 which would allow “double dipping” of retired state employees. I understand that this bill seeks to expand HRS§ 88-9 exceptions for who and under what conditions retirees may be reemployed by the State without re-enrollment into the retirement system or interruption or loss of current benefits. However, such exemptions allow for double payment of the retiree and a waste of taxpayer money. This authority is already granted under HRS§ 88-9d(4) stating the following.

“A retirant may be employed without reenrollment in the system and suffer no loss or interruption of benefits provided by the system or under chapter 87A if the retirant is employed:

...

(4) In a position identified by the appropriate jurisdiction as a labor shortage or difficult-to-fill position; provided that:

(A) The retirant was not employed by the State or a county during the twelve calendar months prior to the first day of reemployment;

(B) No agreement was entered into between the State or a county and the retirant, prior to the retirement of the retirant, for the return to work by the retirant after retirement; and

(C) Each employer shall contribute to the pension accumulation fund the required percentage of the rehired retirant's compensation to amortize the system's unfunded actuarial accrued liability; or...”

It is unnecessary to specifically identify additional agencies or jurisdictions for which this section applies.

Such exceptions should be highly restricted in appointment and term of appointment and should only be used to provide TEMPORARY aid while a vacancy is being actively filled.

I propose an amendment to the bill stipulating the following:

- 1) A maximum of 1,056 work hours eligible for retirant’s rehire before being required to re-enroll in the State’s retirement system. This is an equivalent of 6mo full time or 12mo at part time employment, and
- 2) Retirant rehire exception terms be non-renewable, and

- 3) Mandate that position fulfillment and retention of regular hire employees for any positions being temporarily filled through retirant rehire exceptions be of the highest priority to ensure fulfillment prior to the end of retirants rehire term.

Thank you for your consideration in this matter,

Michelle Montgomery

LATE

SB-442

Submitted on: 2/18/2025 10:15:25 AM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Chuck Chimera	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Dela Cruz and Rhoads, Vice Chairs Gabbard and Moriwaki, and Members of the Committees,

I oppose **SB442**, which allows ERS retirants to be reemployed without reenrollment in the system or loss of benefits. While addressing labor shortages is important, this bill risks further straining the ERS, which already faces significant unfunded liabilities. Employer contributions may not offset the long-term financial impact, jeopardizing retirement security for current and future public employees.

Allowing retirees to "double-dip" by collecting both a salary and retirement benefits undermines the purpose of the ERS and is unfair to active employees. Instead of this approach, the state should focus on improving recruitment, retention, and workforce development to fill critical positions without compromising the ERS.

I urge the Committee to reject SB442 and explore alternative solutions. Thank you for your consideration.

Sincerely,
C. Chimera

LATE

SB-442

Submitted on: 2/18/2025 10:18:18 AM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Shaya Honarvar	Individual	Oppose	Written Testimony Only

Comments:

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LATE

SB-442

Submitted on: 2/18/2025 12:13:51 PM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Tiffani Keanini	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs, Vice Chairs, and members of the committee,

I apologize for the late submission of testimony. I am writing to express my opposition of SB44 which allows a retirant to be employed without reenrollment in the Employees' Retirement System (ERS) and without loss or interruption of benefits, if employed as an investigator or in certain management positions identified as labor shortage or as difficult to fill.

I appreciate the importance in addressing the labor shortage we have across the state and state departments. This measure raises concerns for further expanding this exemption to all management positions excluded from the collective bargaining under chapter 89, potentially creating unequal compensation and benefits across many civil service positions.

LATE

Dear Chairs Dela Cruz and Rhoads, Vice Chairs Moriwaki and Gabbard, and Members of the Committee,

My name is Kiana Otsuka and I am a concerned resident writing in opposition to SB442, which allows a retirant to be employed without reenrollment in the Employees' Retirement System (ERS) and without loss or interruption of benefits provided by the ERS or under chapter 88, HRS, if the retirant is employed as an investigator in a position identified by the Department of the Attorney General or an excluded management position identified by the Department of Agriculture as a labor shortage or difficult to fill position, subject to certain conditions, requires the Director of Human Resources of the appropriate state jurisdiction or the human resources management chief executive of each county to include in their annual reports to the Legislature, details on the employment of retirants as investigators pursuant to this measure.

Although addressing labor shortages is important, allowing for “double-dipping” of retirants to be exempt from typical enrollment without an interruption in retirement benefits could create an uneven playing field for other employees and prospective employees. This could lead to further stagnation in bringing innovative ideas and leadership needed to address some of the State’s most pressing issues.

The majority of unfilled positions at the Department of Agriculture (DOA) are “boots on the ground” capacity building roles that do not fit the criteria outlined in this measure. Therefore, it seems unlikely that these positions would alleviate those staffing shortages.

I appreciate the members of these Committees, the bill’s introducers, and the other legislators and legislative staff addressing the problem of staffing. However, I urge these Committees to reconsider the solution presented in this bill.

Thank you for the opportunity to testify on SB442.

Mahalo,
Kiana Otsuka

LATE

SB-442

Submitted on: 2/18/2025 8:58:16 PM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Francesca Koethe	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Dela Cruz and Rhoads, Vice Chairs Moriwaki and Gabbard, and Members of the Committee,

My name is Francesca Koethe and I am a concerned resident writing in opposition to SB442 “Relating to Government.”

Although addressing labor shortages is important, allowing for “double-dipping” of retirants to be exempt from typical enrollment without an interruption in retirement benefits could create an uneven playing field for other employees and prospective employees. This could lead to further stagnation in bringing innovative ideas and leadership needed to address some of the State’s most pressing issues.

The majority of unfilled positions at the Department of Agriculture (DOA) are “boots on the ground” capacity-building roles that do not fit the criteria outlined in this measure. Therefore, it seems unlikely that these positions would alleviate those staffing shortages.

I appreciate the members of these Committees, the bill’s introducers, and the other legislators and legislative staff addressing the problem of staffing. However, I urge these Committees to reconsider the solution presented in this bill.

Thank you for the opportunity to testify on SB442 “Relating to Government.”

Mahalo nui,

Francesca Koethe

LATE

SB-442

Submitted on: 2/19/2025 7:20:52 AM

Testimony for WAM on 2/19/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Jane Beachy	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs and Members of the Committee,

My name is Jane Beachy and I am a concerned resident writing in opposition to SB442 “Relating to Government.”

Although addressing labor shortages is important, allowing for “double-dipping” of retirants to be exempt from typical enrollment without an interruption in retirement benefits could create an uneven playing field for other employees and prospective employees. This could lead to further stagnation in bringing innovative ideas and leadership needed to address some of the State’s most pressing issues.

The majority of unfilled positions at the Department of Agriculture (DOA) are “boots on the ground” capacity building roles that do not fit the criteria outlined in this measure. Therefore, it seems unlikely that these positions would alleviate those staffing shortages.

I appreciate the members of these Committees, the bill’s introducers, and the other legislators and legislative staff addressing the problem of staffing. However, I urge these Committees to reconsider the solution presented in this bill.

Thank you for your time,

Jane Beachy