STAND. COM. REP. NO. 447

Honolulu, Hawaii

FEB 2 0 2015

RE: S.B. No. 1324

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 1324 entitled:

"A BILL FOR AN ACT RELATING TO DIVORCE,"

begs leave to report as follows:

The purpose and intent of this measure is to provide statutory authority for the Employees' Retirement System to make direct payment of benefits to a former spouse of a member upon the issuance of a court order.

Your Committee received testimony in support of this measure from the Commission on the Status of Women; Kleintop, Luria, and Medeiros; and two individuals. Your Committee received testimony in opposition to this measure from the Employees' Retirement System.

Your Committee finds that direct payments of retirement benefits to a former spouse will provide fairness in the enforcement of the property division in a divorce ordered by a court. Your Committee notes that several other states have already adopted similar laws.

Your Committee has amended this measure by:

- (1) Amending its purpose section;
- (2) Deleting sections 2 through 6;

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- (3) Adding a new section to chapter 88, Hawaii Revised Statutes, that, among other things:
 - (A) Specifies the conditions upon which the court may issue an order to award a former spouse a portion of retirement benefits;
 - (B) Includes safeguards for the Employees' Retirement System;
 - (C) Specifies when payments commence and terminate;
 - (D) Stipulates what court orders will not bind the Employees' Retirement System; and
 - (E) Addresses certain scenarios regarding inadvertent payments to a party;
- (4) Allowing the Employees' Retirement System to adopt a schedule of fees and charges;
- (5) Adding a blank appropriation for its implementation;
- (6) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (7) 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1324, S.D. 1, and be referred to the Committee on Ways and Means.

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

GILBERT S.C. KEITH-AGARAN, Chair

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The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee	Referral:	Dat	te: / /	
SB1324	JDL	, WAM	á	2/17/13	5
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)					
SHIMABUKURO, Maile S.L. (VC)					
ESPERO, Will					
GABBARD, Mike					
IHARA, Jr., Les					
THIELEN, Laura H.					
SLOM, Sam		/			
			'		
TOTAL					
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