

STAND. COM. REP. NO. 402

Honolulu, Hawaii

FEB 20 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;



- (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



