

STAND. COM. REP. NO. 721

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1089  
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 Ways and Means, to which was referred S.B. No. 1089, S.D. 1, 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 make several changes to the Employees' Retirement System laws with regard to member contributions to the system.

Specifically, this measure:

- (1) Gives members one year after returning from an unpaid leave of absence to make the required retirement contributions in order to obtain service credit for the unpaid leave;
- (2) Requires, rather than allows, members receiving workers' compensation benefits to have contributions deducted from the members' workers' compensation benefits;
- (3) Establishes separate requirements for the acquisition of membership service credit by contributory and hybrid members, depending upon whether deductions commence or a lump sum payment is made after June 30, 2020;



- (4) Establishes one-year deadlines for lump sum payments by contributory and hybrid members for membership service credit; and
- (5) Establishes one-year deadlines for contributory and hybrid members who become members after June 30, 2016, to claim membership service credit for prior service, military service, or other service credit.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that requiring member contributions to be made as early as possible will assist in reducing the total liabilities of the Employees' Retirement System.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1089, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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JILL N. TOKUDA, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB1089 SD1</b>	Committee Referral: <b>JDL WAM</b>	Date: <b>2/27/15</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes