

STAND. COM. REP. NO.

765

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 133
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 133, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES' FRINGE BENEFITS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Employer-Union Health Benefits Trust Fund and the Employees' Retirement System to update their financial status information on a more frequent basis.

Specifically, the measure:

- (1) Requires the actuary of the Hawaii Employer-Union Health Benefits Trust Fund to make an annual valuation of the fund;
- (2) Requires the actuary to include in the annual valuation of the fund an update of assumptions specific to the fund at least once every three years; and
- (3) Reduces the maximum period between experience studies of the Employees' Retirement System from five years to three years.



Your Committee received written comments on this measure from the Employees' Retirement System and the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that the increasing liabilities and obligations for the pension and health insurance coverage of public employees are of major concern. Your Committee further finds that by providing more frequent monitoring of the experience and valuation of the retirement and health insurance funds, this measure will aid in the proper planning of future state and county budgetary needs.

Your Committee has amended this measure by:

- (1) Clarifying that the actuary conducting the annual valuation is the actuary retained by the Hawaii Employer-Union Health Benefits Trust Fund pursuant to section 87A-42, Hawaii Revised Statutes; and
- (2) Making conforming amendments to the purpose section to reflect the substantive provisions of the measure.

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. 133, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 133, S.D. 2.

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

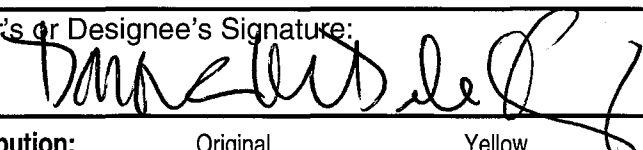


JILL N. TOKUDA, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 133 ,SDI	Committee Referral: SDL, WAM	Date: 2/22/17		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
KAHELE, Kaiali'i	/			WAM
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
TOTAL	11			0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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