

Honolulu, Hawaii

APR 26 2018

RE: S.B. No. 2767
S.D. 2
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2767, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM, "

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to repeal certain provisions relating to a member's purchase of additional service credits by pre-tax contributions to ensure that the Employees' Retirement System maintains its status as a tax-qualified retirement plan under the Internal Revenue Code.

Your Committee on Conference finds that the Employees' Retirement System is intended to be a tax-qualified retirement plan under section 401(a) of the Internal Revenue Code. Your Committee on Conference also finds that Act 86, Session Laws of Hawaii 2015, prospectively changes the cost to purchase membership service after



June 30, 2020. However, the Employees' Retirement System tax counsel has concluded that the change in purchase cost allows for greater pre-tax retirement contributions than had been approved by the Internal Revenue Service. Your Committee on Conference further finds that this measure makes amendments necessary to maintain the tax-qualified status of the Employees' Retirement System.

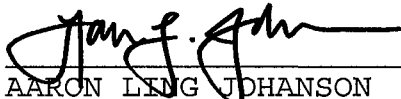
Your Committee on Conference has amended this measure by changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2767, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2767, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE



AARON LING JOHANSON
Co-Chair



JILL N. TOKUDA
Chair



DANIEL HOLT
Co-Chair





GILBERT S.C. KEITH-AGARAN
Co-Chair



Hawai'i State Legislature

CCR30-18

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 2767, SD 2, HD 1					Date/Time: 4/24/18 @ 10:25 am				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
TOKUDA, Jill N., Chr.	/				JOHANSON, Aaron Ling, Co-Chr.	/			
KEITH-AGARAN, Gilbert S.C., Co-Chr.	/				HOLT, Daniel, Co-Chr.	/			
CHANG, Stanley				/	MATSUMOTO, Lauren Kealohilani	/			
TOTAL	2			1	TOTAL	3			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
Distribution:		Original <i>File with Conference Committee Report</i>	Yellow <i>House Clerk's Office</i>	Pink <i>Senate Clerk's Office</i>	Goldenrod <i>Drafting Agency</i>				