

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 1083  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 1083 entitled:

"A BILL FOR AN ACT RELATING TO QUALIFIED DOMESTIC RELATIONS ORDERS,"

begs leave to report as follows:

The purpose and intent of this measure is to facilitate the Employees' Retirement System's (ERS) processing of Hawaii domestic relations orders by providing clarity on the processing procedure and benefits subject to the orders. Specifically, this measure:

- (1) Applies Hawaii domestic relations orders to benefits that an ERS member is expected to receive or is receiving;
- (2) Authorizes release of a member's ERS information to be initiated by a complaint for divorce or a divorce decree;
- (3) Authorizes the ERS's advisory notification as to whether a proposed domestic relations order meets the requirement of a Hawaii domestic relations order to be given to the parties involved, in addition to the person who submitted the proposed order;



- (4) Prohibits a Hawaii domestic relations order that is enforced on a payout of benefits triggered by a member's termination of membership from being enforced on any subsequent benefits resulting from the former member becoming a member again;
- (5) For the purposes of calculating the death benefit payable to a designated beneficiary of a retirant who deceases within one year of retirement using the alternative benefit option, deducts payments made to an alternate payee pursuant to a Hawaii domestic relations order as payments received by the retirant;
- (6) Specifies that the priority among multiple orders will be determined based on the order in which the ERS receives the domestic relations order; and
- (7) Clarifies that the qualification of a domestic relations order shall supersede and terminate the qualification of any prior order between the same parties.

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

Your Committee finds that on July 1, 2020, ERS began its processing of Hawaii domestic relations orders that allow the ERS to disburse benefits to a member's former spouse or a spouse in a divorce action who is recognized under the order as an alternate payee. To facilitate the processing of the orders, there is a need to provide clarity on ERS's processing procedures and the types of benefits that are subject to the orders.

Your Committee notes that S.B. No. 2868, S.D. 1 (Regular Session of 2020), is a substantially similar measure that provides clarity on the processing of Hawaii domestic relations orders and the types of benefits that are subject to orders. S.B. No. 2868, S.D. 1, was previously passed by the Senate; however, further consideration was terminated due to the disruptions caused by the coronavirus disease 2019 (COVID-19) pandemic. There are no substantive differences between the two measures.

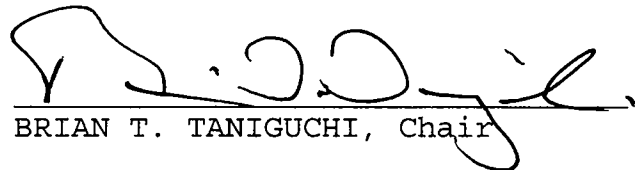
Accordingly, your Committee has amended this measure by:



- (1) Deleting its contents and inserting the contents of S.B. No. 2868, S.D. 1, Regular Session of 2020, a substantially similar measure, which provides clarity on ERS's processing procedure and the types of benefits that are subject to the orders; and
- (2) 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 Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1083, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1083, S.D. 1, and be referred to your Committee on Judiciary.

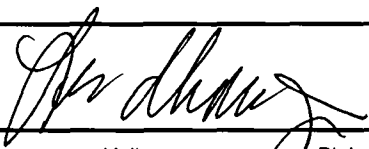
Respectfully submitted on  
behalf of the members of the  
Committee on Labor, Culture and  
the Arts,

  
BRIAN T. TANIGUCHI, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Labor, Culture and the Arts**  
**LCA**

Bill / Resolution No.:* <b>SB 1083</b>	Committee Referral: <b>LCA, JDC</b>	Date: <b>2/3/21</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 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
TANIGUCHI, Brian T. (C)	✓			
IHARA, Jr., Les (VC)	✓			
CHANG, Stanley	✓			
KEOHOKALOLE, Jarrett	✓			
FEVELLA, Kurt				✓
<b>TOTAL</b>	<b>4</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