

STAND. COM. REP. NO.

407

Honolulu, Hawaii

FEB 18 , 2021

RE: H.B. No. 931
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 931 entitled:

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

begs leave to report as follows:

The purpose of this measure is to clarify the Employees' Retirement System's eligibility requirement definitions for service-connected disability retirement and accidental death benefits.

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

Your Committee finds that in several cases, the Hawaii Supreme Court recently rendered rulings awarding Employees' Retirement System service-connected disability retirement or accidental death benefits beyond the Legislature's original intent. These rulings have increased the State's unfunded liability as a whole. Your Committee further finds that this measure will clarify those definitions and increase transparency in their application.

2021-1626 HB931 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Incorporating the Employees' Retirement System's requested amendments, including amendments related to the accidental service-connected death benefit;
- (2) Changing the effective date to December 25, 2040, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 931, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 931, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Tourism,



RICHARD H.K. ONISHI, Chair



