

STAND. COM. REP. NO.

1995

Honolulu, Hawaii

, 2025

APR 04

RE: S.B. No. 935  
S.D. 2  
H.D. 3

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Finance, to which was referred S.B. No. 935, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Include sheriffs and deputy sheriffs in the enhanced retirement benefits category;
- (2) Reduce the minimum number of years of credited service that qualified Tier 2 Employees' Retirement System members must have to be eligible for vested benefit status for service retirement allowance purposes from ten years to five years; and
- (3) Increase employer contributions to offset the resulting liability.

Your Committee received testimony in support of this measure from the Office of the Governor; Hawai'i State Teachers Association; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received comments on this measure from the Department of Labor and Industrial Relations;

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Department of Budget and Finance; Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees; Board of Trustees of the Employees' Retirement System; and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committee has amended this measure by:

- (1) Changing the retirement allowance for a member who first earned credited service as a judge after June 30, 2031, to 1.75 percent of their average final compensation for each year of credited service as a judge; and
- (2) 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 935, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 935, S.D. 2, H.D. 3.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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KYLE T. YAMASHITA, Chair



