STAND. COM. REP. NO. 928

Honolulu, Hawaii

M.r.h 2, 2007

RE: H.B. No. 1292 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1292 entitled:

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

begs leave to report as follows:

The purpose of this bill is to enable the Employees'
Retirement System (ERS) to maintain its status as a tax-qualified
retirement plan by complying with the Internal Revenue Code.
Among other things, this bill:

- (1) Prohibits elective officers and judges from terminating their ERS membership upon reaching the statutory cap on retirement benefits even though they remain in office and delay receipt of the benefits until a future separation date;
- (2) Prohibits elective officers from joining the ERS at any time during their term of office; and
- (3) Requires elective officers to exercise a one-time, irrevocable option to join the ERS when they are elected.

ERS, Department of Budget and Finance, Department of the Attorney General, Office of Hawaiian Affairs, and Hawaii State Teachers Association testified in support of this bill.

HB1292 HD1 HSCR FIN HMS 2007-2609



Your Committee has amended this bill by making technical, nonsubstantive amendments to correct drafting errors.

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 H.B. No. 1292, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1292, H.D. 1.

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

MARCUS R. OSHIRO, Chair

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State of Hawaii House of Representatives The Twenty-fourth Legislature

Record of Votes of the Committee on Finance

| Bill/Resolution No.: HB 1292 | Date: 2/24/07 | | | |
|--|--|---------------|--------------------|---|
| Committee Referral: AB FIN | The committee is reconsidering its previous decision on the measure. | | | |
| The recommendation is to: Pass, unamended | Pass, with amendments | | | |
| ☐ Hold | Pass, with amendments, for recommittal for further consideration | | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. OSHIRO, Marcus R. (C) | ' | | | |
| 2. LEE, Marilyn B. (VC) | V | | | |
| 3. BELATTI, Della Au | V | | | |
| 4. BROWER, Tom | レ | | | |
| 5. CARROLL, Mele | ~ | | | |
| 6. CHONG, Pono | <u> </u> | | | |
| 7. HANOHANO, Faye P. | <i>\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\</i> | | | |
| 8. HAR, Sharon E. | レ | | | |
| 9. MAGAOAY, Michael Y. | U | | | |
| 10. MANAHAN, Joey | <i>i</i> / | | | |
| 11. MIZUNO, John | <u></u> | | | |
| 12. NAKASONE, Bob | レ | | | |
| 13. RHOADS, Karl | | | | |
| 14. SAGUM, Roland D., III | <u> </u> | | | |
| 15. TOKIOKA, James Kunane | | | | <u> </u> |
| 16. AWANA, Karen Leinani | i v | | | |
| 17. MEYER, Colleen Rose | <u> </u> | | | |
| 18. WARD, Gene, Ph.D. | i/ | | | *************************************** |
| TOTAL | 17 | 0 | 0 | 1 |
| The recommendation is: | | | | |
| ☐ Not Adopted | | | | |
| If joint referral, | | did not suppo | ort recommendation | |
| If joint referral, did not support recommendation. committee acronym(s) | | | | |
| Mand Rifel | | | | |
| Vice Chair's or designee's signature: | J | | | |
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