STAND. COM. REP. NO. 898

Honolulu, Hawaii

March 1

, 2013

RE: H.B. No. 805

H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 805 entitled:

"A BILL FOR AN ACT RELATING TO FEDERAL TAX QUALIFICATION OF THE EMPLOYEES' RETIREMENT SYSTEM,"

begs leave to report as follows:

The purpose of this measure is to amend the Employees'
Retirement System laws to comply with Internal Revenue Code
requirements and vesting rules in order to maintain the system's
status as a tax-qualified retirement plan.

The Department of Budget and Finance and the Administrator of the Employees' Retirement System supported this measure.

Your Committee has amended this measure by:

- (1) Clarifying the terms "stability period" and "look-back month" by citing the relevant United States Treasury Regulations sections;
- (2) Changing its effective date to July 1, 2030, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for 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 H.B. No. 805, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 805, H.D. 1.

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



State of Hawaii House of Representatives The Twenty-seventh Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB805	Committee Referral: LAB, FIN	Date:	02/25/13	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo		·		
8. KOBAYASHI, Bertrand				
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
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TOTAL (17)	17			
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				