STAND. COM. REP. NO. 3021

Honolulu, Hawaii

MAR 2 3 2016

RE: H.B. No. 2606

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 2606, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to establish a retirement benefit incentive for public employees, otherwise eligible to retire, whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position as a result of Act 103, Session Laws of Hawaii 2015.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and numerous individuals. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance and Employees' Retirement System.

Your Committee finds that public employees whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position, may face excessive economic hardship. Implementation of this measure will provide meaningful financial support to public employees who lose their jobs out of no fault of their own.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 3000, S.D. 1 (Regular Session of 2016), a substantively similar measure, which:

- (1) Establishes a retirement benefit incentive for public employees, otherwise eligible to retire, whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the positions;
- (2) Has a sunset date of July 1, 2018; and
- (3) Has an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2606, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2606, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

GILBERT S.C. KEITH-AGARAN, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral: Date:				
HB 2606 HD2	JDL,	DL, WAM 3/16/16			
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)				<u> </u>	
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike		/ .			
KAHELE, Kaiali'i					
KIM, Donna Mercado		/			
THIELEN, Laura H.					
SLOM, Sam				/_	
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TOTAL		5			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	_		Pink Goldenrod Drafting Agency Committee File Copy		

^{*}Only one measure per Record of Votes