STAND. COM. REP. NO. 410

Honolulu, Hawaii

FEB 2 0 2015

RE: S.B. No. 1088

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 1088 entitled:

"A BILL FOR AN ACT RELATING TO RETIREMENT CREDIT FOR UNUSED SICK LEAVE,"

begs leave to report as follows:

The purpose and intent of this measure is to change the formula used to credit unused sick leave toward retirement benefits for certain employees.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Employees'
Retirement System. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association and Hawaii Fire Fighters Association.

Your Committee finds that this measure addresses a situation where certain employees, upon retirement, receive additional benefits due to the additional service credit without making additional contributions. Your Committee notes the concerns raised in testimony over creating a tiered system of benefits for employees within the Employees' Retirement System. It has been asserted that this measure has the potential of creating a system under which employees holding equivalent positions and performing equivalent duties could nevertheless receive different benefits based solely on their date of hire.

Your Committee has amended this measure by:



- (1) Inserting an effective date of January 7, 2059 to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 1088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1088, S.D. 1, and be referred to the 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 Hawaiʻi

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee	Referral:	Da	te: /	
56 logs	JDI	L, WAM		2/17	115
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)					
SHIMABUKURO, Maile S.L. (VC)					
ESPERO, Will					
GABBARD, Mike					·
IHARA, Jr., Les					
THIELEN, Laura H.					
SLOM, Sam	· · · · · · · · · · · · · · · · · · ·	/			
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TOTAL		7			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes