STAND. COM. REP. NO. 3643

Honolulu, Hawaii

APR 0 6 2018

RE: H.B. No. 2341

H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2341, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO QUALIFIED DOMESTIC RELATIONS ORDERS."

begs leave to report as follows:

The purpose and intent of this measure is to make changes to Act 263, Session Laws of Hawaii 2016, which established procedures on how qualified domestic relations orders are to be handled by the Employees' Retirement System.

Specifically, this measure:

- (1) Allows the Employees' Retirement System to make direct payments to spouses or former spouses of former Employees' Retirement System members with vested benefit status when the former spouse has been awarded all or a portion of Employees' Retirement System retirement benefits as ordered or decreed in a domestic relations proceeding;
- (2) Makes consistent the benefits payable to an alternate payee whether the Hawaii qualified domestic relations order is certified prior to, or after, the member,

former member with vested benefit status, or retirant retires;

- (3) Delays the effective date of Act 263, Session Laws of Hawaii 2016, from July 1, 2018, to July 1, 2020; and
- (4) Makes an appropriation to implement the measure.

Your Committee received written comments in support of this measure from the Employees' Retirement System and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i.

Your Committee finds that a delay of the effective date of Act 263, Session Laws of Hawaii 2016, is required for the development of resources necessary to support the implementation of the law, to cover the costs of computer system modifications, and for education of members and other affected parties.

Your Committee has amended this measure by:

- (1) Specifying that the appropriation shall be for computer and office automation to support the implementation of the measure;
- (2) Designating the Department of Budget and Finance as the expending agency for the appropriation; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2341, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2341, H.D. 1, S.D. 2.

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Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Cha

The Senate Twenty-Ninth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*		Committee Referral:			Date:		
HB2341 HD1 SD1	LBR/JDC, WAM		4/4/18				
The Committee is reconsidering its previous decision on this measure.							
If so, then the previous de	ecision was to	o:		<u> </u>			
The Recommendation is:					-		
Pass, unamended 2312		th amendm 311	ents	Hold 2310	R	ecommit 2313	
Members		Aye	Aye (W	R) Na	ау	Excused	
DELA CRUZ, Donovan M. (C)		X					
KEITH-AGARAN, Gilbert S.C. (VC)		X					
ENGLISH, J. Kalani		X X X					
GALUTERIA, Brickwood		X					
HARIMOTO, Breene		X					
INOUYE, Lorraine R.		X.	1				
KAHELE, Kaiali'i		X					
KIDANI, Michelle N.		X					
RIVIERE, Gil		Х				· · · · · · · · · · · · · · · · · · ·	
SHIMABUKURO, Maile S.L.		X					
WAKAI, Glenn		X	<u> </u>				
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TOTAL		1 (0	C	,	0	
Recommendation: Adopted Not Adopted							
Chair's or Designee's Signatur							
Distribution: Original File with Committee Re		ellow d's Office	Pink Drafting Age	ncv C		enrod e File Copy	

Revised: 08/23/17

^{*}Only one measure per Record of Votes