STAND. COM. REP. NO. 3131

Honolulu, Hawaii MAR 7 0 2024

RE: H.B. No. 2382

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 2382, H.D. 1, 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 clarify the Employees' Retirement System's eligibility requirement definitions for service-connected disability and accidental death benefits.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Employees' Retirement System.

Your Committee finds that the purpose of the Employees'
Retirement System (ERS) service-connected disability benefits is
to compensate members who have been permanently incapacitated for
duty as the natural and proximate result of an accident occurring
while in the actual performance of duty at some definite time and
place, or as the cumulative result of some occupational hazard.
Your Committee also finds that these purposes significantly differ
from the purposes and conditions of the State's Workers'
Compensation Law, that is intended to provide compensation for all
work-related injuries. In several recent cases, the Hawaii
Supreme Court rendered rulings awarding ERS service-connected

disability retirement and accidental death benefits beyond the Legislature's original intent, resulting in an unintended increase in ERS' unfunded liability as a whole. Therefore, this measure is necessary to preserve ERS' service-connected disability and accidental death benefits as originally intended and avoid unintended increases in the ERS unfunded liability.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, 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 Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2382, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2382, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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

HENRY J.C. QUINO, Chair

## The Senate Thirty-Second Legislature State of Hawai'i

## Record of Votes Committee on Labor and Technology LBT

Bill / Resolution No.:*	1	Committee Referral:  LBT, JDC/WAM		Date:		
HB2382 HD1	LBI,	JDCJW	AM	9/	3/24	
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 (W	(R)	Nay	Excused
AQUINO, Henry J.C. (C)		χ			·	
MORIWAKI, Sharon Y. (VC)		X				
IHARA, Jr., Les		X				
LEE, Chris	<del></del>	<u> </u>	<u> </u>	_		
FEVELLA, Kurt		X				
						! 
			<del></del>			
				1	<u>.                                      </u>	
				_	-	
					_	
			<u> </u>	_		
	<u> </u>					
TOTAL		5				
Recommendation:  Adopted Not Adopted						
Chatte ad Resignacia Signatura						
Chair's or Designee's Signature:						
<b>Distribution:</b> Original File with Committee F	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes