STAND. COM. REP. NO. 431 -24

Honolulu, Hawaii

FEB 16 , 2024

RE: H.B. No. 2395 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committees on Labor & Government Operations and Corrections, Military, & Veterans, to which was referred H.B. No. 2395 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII NATIONAL GUARD,"

beg leave to report as follows:

The purpose of this measure is to exempt a Hawaii National Guard service member ordered to active duty in service of the State from enrollment in the Employees' Retirement System throughout the person's active duty.

Your Committees received testimony in support of this measure from the Hawai'i Emergency Management Agency; Hawai'i Army National Guard; and numerous individuals. Your Committees received comments on this measure from the Employees' Retirement System.

Your Committees find that Hawaii National Guard personnel who are ordered to active duty in the service of the State face unique challenges with their retirement system due to the temporary nature of their orders. After ninety days of active-duty service to the State, new service members become eligible for new enrollment in the Employees' Retirement System and are required to make mandatory contributions. While Employees' Retirement System contributions can be reimbursed to the service member once their duty is completed, this creates a financial hardship for the

service member. This measure exempts Hawaii National Guard service members ordered to active duty in service of the State from mandatory enrollment in the Employees' Retirement System and removes the financial burden of mandatory contributions.

Your Committees have amended this measure by:

- (1) Clarifying that Hawaii National Guard service members ordered into active duty to provide services to the State shall be ineligible for membership in the Employees' Retirement System based on the active duty;
- (2) Deleting provisions related to benefits for members who take a leave of absence to be on active duty in service to the State and requirements to make employee contributions;
- (3) Clarifying that a Hawaii National Guard service member who is an existing employee of the State or counties shall not be precluded from membership in the Employees' Retirement System;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Government Operations and Corrections, Military, & Veterans that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2395, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2395, H.D. 1, and be referred to your Committee on Finance.

STAND. COM. REP. NO. 481 -24
Page 3

Respectfully submitted on behalf of the members of the Committees on Labor & Government Operations and Corrections, Military, & Veterans,

MARK J. HASNEM, Chair

SCOT Z. MATAYOSHI, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR

481-24

Record of Votes of the Committee on Labor & Government Operations

Bill/Resolution No.: HB 2395	Committee Referral: LGO/CMV, FIN			Date: 02-14-24				
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)								
LGO Members		Ayes	Ayes (WR)	Nays	Excused			
1. MATAYOSHI, Scot 2	Z. (C)		44					
2. GARRETT, Andrew	Takuya (VC)							
3. KAPELA, Jeanne								
				3/4/F-(VIII) 2007				
4. MARTINEZ, Rose			(270)	Alba Alba Alba Alba Alba Alba Alba Alba	71.05			
5. SAYAMA, Jackson D			7.2%					
6. TAM, Adrian K.								
7. ALCOS III, David				4 M				
					-			
*								
					,			
								
TOTAL	(7)	5			2			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)								
Vice Chair's or designee's signature:								
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO								

State of Hawaii House of Representatives

The Thirty-second Legislature HSGR 481-24

Record of Votes of the Committee on Corrections, Military, & Veterans

Bill/Resolution No.: Cor	nmittee Referral: LGO/CMV	Date:	2/14	124			
☐ 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)							
CMV Members	Ayes	Ayes (WR)	Nays	Excused			
1. HASHEM, Mark J. (C)	/						
A CHUN C M (UC)							
2. CHUN, Cory M. (VC)	V						
3. GANADEN, Sonny							
4. ICHIYAMA, Linda							
4. ICHIYAMA, Linda	V						
5. MIZUNO, May Besario							
6. MORIKAWA, Dee							
Control of the Contro	/						
7. POEPOE, Mahina							
9 TAVAVAMA Cuore							
8. TAKAYAMA, Gregg				V			
9. SOUZA, Kanani							
TOTAL (9)	7			2			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							