

STAND. COM. REP. NO.

319

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 813
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 813
entitled:

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

begs leave to report as follows:

The purpose of this measure is to change the minimum number
of years of credited service for qualified Tier 2 employees'
retirement status from 10 years to 5 years, to be eligible for
vested service retirement allowances.

Your Committee received testimony in support of this measure
from the Office of the Governor; Hawaii Government Employees
Association, AFSCME Local 152, AFL-CIO; Hawai'i State Teachers
Association; United Public Workers, AFSCME Local 646, AFL-CIO; and
one individual. Your Committee received comments on this measure
from the Employees' Retirement System.

Your Committee finds that the State's public sector continues
to struggle with widespread employment vacancies which have
negative impacts on providing essential services to the public.
Your Committee also finds that reducing the minimum requirement of
credited service for Tier 2 members from 10 years to 5 years to be
eligible for vested benefits can attract candidates to apply for
state and county jobs, while incentivizing current government

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employees to continue working in the public sector. Your Committee believes that this measure supports the recruitment and retainment of qualified employees to fill the vacancies in the public sector.

Your Committee amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 813, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 813, H.D. 1, and be referred to your Committee on Finance.

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



JACKSON D. SAYAMA, Chair



