

Statement Before The
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Tuesday, February 2, 2021

9:00 AM

Via Video Conference, Conference Room 312

in consideration of

HB 670**RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.**

Chair Onishi, Vice Chair Sayama, and Members of the House Labor & Tourism Committee

Common Cause Hawaii supports HB 670, which authorizes forfeiture of certain ERS benefits, pursuant to court order, for state or county employees and designated beneficiaries who are convicted of an employment-related felony.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy. Common Cause Hawaii works to restore faith in our government and our democracy that has been shattered in the last few years through ethics, accountability, and transparency reforms. These reforms are probably the most important tools to restoring the people's trust in their elected leaders and government – to show people that their government is acting for the people's interest versus serving their own interests.

In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii's elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. See <https://www.staradvertiser.com/2019/09/22/hawaii-news/most-hawaii-residents-say-state-elected-officials-dont-care-about-them/>. Further, Oahu residents stated accountability was “essential or very important for the city to address in the next two years” in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor. See http://www.honolulu.gov/rep/site/oca/oca_docs/a-FY2019_SEA_Report_Final_030620_for_website.pdf at page 6 (emphasis in original).

HB 670 will show that government takes ethics seriously. Public employees are also public servants. They cannot defraud the public and destroy our confidence in government and still reap the benefits of their criminal misconduct. If this were to occur, then the only losers are the people and democracy.

HB 670 is **not** about punishment or retribution. It is about ethics and restoring the public's trust in government. HB 670 is not about revenge, because families of the convicted governmental employees who rely on the pensions are protected under the bill. HB 670 provides that, upon the convicted governmental employees' passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under HB 670.

In these dire economic times for our state, Hawaii cannot afford (both literally and figuratively) the pensions of individuals who have defrauded this state and betrayed the public trust.

Much concern is given to what the convicted government employee (and the employee's family) may lose if the pension were to be lost. We also need to consider that much is lost by the public - the people - when a government employee abuses his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to testify in support of HB 670, and Common Cause Hawaii respectfully urges the Committee members to pass HB 670 out of your Committee. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii



HB-670

Submitted on: 1/31/2021 8:57:35 AM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Individual	Support	No

Comments:

I support HB670, and mahalo for the opportunity to testify.

HB-670

Submitted on: 1/31/2021 9:23:14 AM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Anderson	Common Cause Hawaii Board Member	Support	No

Comments:

In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii’s elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. Further, Oahu residents stated accountability was “essential or very important for the city to address in the next two years” in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor.

HB 670 will show that government takes ethics seriously. Public employees are also public servants. They cannot defraud the public and destroy our confidence in government and still reap the benefits - particularly retirement benefits - of their criminal misconduct. If this were to occur, then the only losers are the people and democracy.

HB 670 is **not** about punishment or retribution. It is about ethics and restoring the public’s trust in government. HB 670 is not about revenge, because families of the convicted governmental employees who rely on the pensions are protected under the bill. HB 670 provides that, upon the convicted governmental employees’ passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under HB 670.

In these dire economic times for our state, Hawaii cannot afford (both literally and figuratively) the pensions of individuals who have defrauded this state and betrayed the public trust.

Much concern is given to what the convicted government employee (and the employee’s family) may lose if the pension were to be lost. We also need to consider that much is lost by the public - the people - when a government employee abuses his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to testify in support of HB 670, and I respectfully urge the Committee members to pass HB 670 out of your Committee.

HB-670

Submitted on: 1/31/2021 9:26:53 AM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward B Hanel Jr	Individual	Support	No

Comments:

Concur with comments submitted by Common Cause Hawaii. The public rightly expects the highest ethical practices from its elected leaders. This bill will help reinforce that expectation.

HB-670

Submitted on: 1/31/2021 11:34:34 AM
Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Support	No

Comments:

Aloha Committee members,

I am a member of Common Cause HI and i have read their info sheets about pending legislation. I have copied their suggestions as my testimony, but i totally agree with their assessment and that is why i share MY thoughts and feelings with you. Mahalo

In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii’s elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. See <https://www.staradvertiser.com/2019/09/22/hawaii-news/most-hawaii-residents-say-state-elected-officials-dont-care-about-them/>. Further, Oahu residents stated accountability was “essential or very important for the city to address in the next two years” in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor. See http://www.honolulu.gov/rep/site/oca/oca_docs/a-FY2019_SEA_Report_Final_030620_for_website.pdf at page 6 (emphasis in original).

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HB 670 is **not** about punishment or retribution. It is about ethics and restoring the public’s trust in government. HB 670 is not about revenge, because families of the convicted governmental employees who rely on the pensions are protected under the bill. HB 670 provides that, upon the convicted governmental employees’ passing, their pensions may be awarded to the designated beneficiaries. Due process is afforded, and pension is only forfeited pursuant to court order, under HB 670.

In these dire economic times for our state, Hawaii cannot afford (both literally and figuratively) the pensions of individuals who have defrauded this state and betrayed the public trust.

Much concern is given to what the convicted government employee (and the employee's family) may lose if the pension were to be lost. We also need to consider that much is lost by the public - the people - when a government employee abuses his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to testify in support of HB 670, and we respectfully urge the Committee members to pass HB 670 out of your Committee.

HB-670

Submitted on: 1/31/2021 12:20:39 PM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Nakajima	Individual	Support	No

Comments:

For the sake of good governance, government employees must be held accountable for their official conduct, including entitlement to a retirement pension. I strongly support this bill and as a member of Common Cause associate with that organization's position on HB670. Thank you

Martha NAKAJIMA

HB-670

Submitted on: 1/31/2021 12:33:42 PM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Jaycox	Individual	Support	No

Comments:

Accountability is important for all people. A sense of ethics is important for all people. For elected officials, this is even more true.

HB-670

Submitted on: 1/31/2021 5:21:40 PM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Shimei	Indivisible Hawaii	Support	No

Comments:

IN SUPPORT

Public trust in government is low and sinking lower. In these trying times, it is critical to restore confidence in the ethics of our government.

Holding an office of public trust is not the same as a job in the private sector. We cannot endorse the deliberate abuse of government position and power by permitting retention of a benefit paid by taxpayer dollars, at the expense of the people the government was created to serve.

The corruption addressed in this bill is rare but it clearly does exist and all steps must be taken to eradicate it.

HB-670

Submitted on: 1/31/2021 8:21:12 PM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Individual	Support	No

Comments:

Aloha Representatives,

I support HB 670.

Mahalo,

Michael

TO: Members of the Committee on Labor & Tourism

FROM: Natalie Iwasa
808-395-3233

HEARING: 9 a.m. Tuesday, February 2, 2021

SUBJECT: HB670 Retirement Benefits Forfeiture - **SUPPORT**

Aloha Chair and Committee Members,

Thank you for allowing me the opportunity to provide testimony on HB670, which would require forfeiture of employee benefits if the retirant is convicted of a felony which is related to the employment of that retirant. I support this bill.

Government employees should not be able to keep their taxpayer-funded pensions if they have committed fraud or similar acts.

Please vote **“yes”** on HB670.

DAVID Y. IGE
GOVERNOR



THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

WRITTEN ONLY

TESTIMONY BY THOMAS WILLIAMS
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII

TO THE HOUSE COMMITTEE ON LABOR AND TOURISM

ON

HOUSE BILL NO. 670

February 2, 2021
9:00 A.M.
Conference Room 312

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

Chair Onishi, Vice Chair Sayama, and Members of the Committee,

H.B. 670 proposes to add a new section to subpart C of part II of Chapter 88, Hawaii Revised Statutes to provide for forfeiture by a member, former member, or retiree of the Employees' Retirement System (ERS) of the State of Hawaii, of all or a portion of any interest, hypothetical account balance, pension, annuity or retirement allowance otherwise payable to the member, former member or retiree if the member, former member or retiree is convicted of a felony related to the employment of the member, former member or retiree. The Board of Trustees of the ERS has not yet had the opportunity to review this legislation, however the ERS staff offers the following comments:

This proposal would require the ERS to comply with a court order decreeing a forfeiture of all or a portion of any interest, hypothetical account balance, pension, annuity or retirement allowance otherwise payable a member, former member, or retiree of the system convicted of a felony that the court finds is related to the employment of the member, former member, or retiree by the State or county.



Employees' Retirement System
of the State of Hawaii

This proposal purports to not impair or diminish the accrued retirement benefits of members of the ERS prior to the effective date of the Act and applies prospectively to felonies committed by public employees after the effective date of the proposal.

As proposed, staff believes H.B. 670 would not be opposed by the ERS Board of Trustees.

Thank you for this opportunity to provide testimony.

HB-670

Submitted on: 2/1/2021 8:59:37 AM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
laurie boyle	Individual	Support	No

Comments:

I strongly support hb670 for the simple reason that i do not want to pay for a convicted felon in our legislature to receive any pension benefits for h(x)self or family. This would serve as a HUGE deterrant for any of our elected offiials from engaging in illegal activity.

Mahalo

LATE

HB-670

Submitted on: 2/1/2021 4:06:03 PM

Testimony for LAT on 2/2/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Onishi, Vice Chair Sayama and the Committee on Labor and Tourism,

Please support HB670 to restore the public's trust in government. It's disappointing and shameful to watch on television convicted public servants reaping the rewards of the generous state benefit system. Are there no ethical consequences for public servants?

In a Honolulu Star-Advertiser poll published on Sept. 22, 2019, a majority of local residents felt that Hawaii's elected officials do not care what they think and generally do not have high ethical standards. This must change for people to have confidence in our government. See <https://www.staradvertiser.com/2019/09/22/hawaii-news/most-hawaii-residents-say-state-elected-officials-dont-care-about-them/>. Further, Oahu residents stated accountability was "essential or very important for the city to address in the next two years" in a 2019 Service Efforts & Accomplishments Report by the Office of the City Auditor. See http://www.honolulu.gov/rep/site/oca/oca_docs/a-FY2019_SEA_Report_Final_030620_for_website.pdf at page 6 (emphasis in original).

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his/her/their position of power, trust, and authority. As we have seen, democracy is fragile; people need to have confidence in our government. Please act to restore that trust through ethics reform.

Thank you for the opportunity to testify in support of HB 670, and we respectfully urge the Committee members to pass HB 670 out of your Committee.

Mahalo,

Caroline Kunitake

DAVID Y. IGE
GOVERNOR



LATE

THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

WRITTEN ONLY

TESTIMONY BY THOMAS WILLIAMS
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII

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ON

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of the State of Hawaii

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