



GOV. MSG. NO. 689

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

July 7, 2010

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fifth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: House Bill No. 2919 HD1 SD2 CD1

On July 6, 2010, House Bill No. 2919, entitled "A Bill for an Act Relating to the Employees' Retirement System" became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to allow sewer maintenance, service and inspection supervisors enrolled in the State Employees' Retirement System (ERS) to retire early like their sewer worker subordinates, starting on July 1, 2011.

Although I am not opposed to providing equal benefits for equal work, and do not believe government employees working in the same capacity should be treated differently, I am fundamentally concerned with whether ERS benefits provided at current levels are financially sustainable. Over the years, the expansion of ERS benefits has led to increases in unfunded liability, which only eased recently with the moratorium on benefits expansion, pursuant to Act 256, Session Laws of Hawaii 2007. However, the current ERS unfunded liability is approximately \$6.2 billion and the moratorium is expected to sunset on January 2, 2011.

This large unfunded liability calls into question whether retirement benefits can be maintained at current levels. Just as Hawaii's Medicaid benefits must be restructured to ensure the program remains financially sustainable and available to help the State's most needy; ERS benefits, such as early retirement benefits, must also be reassessed to ensure the system remains financially sustainable to provide for future retirees. Although current retirement benefits have already been promised to certain state and county employees, we must consider whether those benefits are reasonable and financially feasible in the future.

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and Members of the Senate
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For the foregoing reasons, I allowed House Bill No. 2919 to become law as Act 197, effective July 6, 2010, without my signature.

Sincerely,



LINDA LINGLE

A BILL FOR AN ACT

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that sewer maintenance
2 working supervisors, wastewater collection system inspection
3 supervisors, wastewater collection system district supervisors,
4 and wastewater collection system field services supervisors are
5 currently not included under the definition of "sewer worker" by
6 the employees' retirement system, despite the fact that these
7 workers are exposed to hazards that are similar to the other
8 types of position classifications covered under that definition.

9 The purpose of this Act is to expand the definition of
10 "sewer worker" to include sewer maintenance working supervisors,
11 wastewater collection system inspection supervisors, wastewater
12 collection system district supervisors, and wastewater
13 collection system field services supervisors.

14 SECTION 2. Section 88-21, Hawaii Revised Statutes, is
15 amended by amending the definition of "sewer worker" to read as
16 follows:



1 ""Sewer worker" [÷] means an employee of any county who is
2 employed in any of the following classifications [÷] or
3 classifications performing substantially the same work under
4 classification titles not listed in this definition:

5 (1) ~~[sewer]~~ Sewer maintenance helper or wastewater
6 collection system helper [÷] i

7 (2) ~~[sewer]~~ Sewer maintenance repairer or wastewater
8 collection system repairer [÷ ~~(3) sewer~~] i

9 (3) Sewer maintenance working supervisor;

10 (4) Sewer maintenance supervisor I [and] or II or
11 wastewater collection system supervisor I [and] or
12 II [÷] i

13 (5) Wastewater collection system inspection supervisor;

14 (6) Wastewater collection system district supervisor;

15 (7) Wastewater collection system field services
16 supervisor; [~~(4) gas~~]

17 (8) Gas detector [÷ ~~(5) gas~~];

18 (9) Gas detector helper [÷ ~~(6) gas~~];

19 (10) Gas detection supervisor [÷ ~~(7) cesspool~~];

20 (11) Cesspool worker [÷ ~~(8) cesspool~~];



1 (12) Cesspool pumping equipment operator I [~~7 (9) cesspool~~
2 ~~pumping equipment operator II, (10) cesspool~~] or II;
3 (13) Cesspool pumping supervisor[~~7~~]; or
4 in any combination of these classifications."

5 SECTION 3. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 4. This Act shall take effect on July 1, 2011.

APPROVED this day of , 2010

GOVERNOR OF THE STATE OF HAWAII

