STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 0 1 2010

RE: S.B. No. 2174

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Transportation, International and Intergovernmental Affairs, to which was referred S.B. No. 2174 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 include county representation on the membership of the Board of Trustees of the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Hawaii Council of Mayors, Hawaii State Association of Counties, and Hawaii Government Employees Association. Comments were received from the Administrator of the Employees' Retirement System which had no position on this measure at this time. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the counties contribute a considerable share to retirement system costs, and their employees and retirees are a significant portion of the System's membership. As such, your Committee believes that it is appropriate to include county representation on the Employee's Retirement System Board of Trustees. County representation will ensure that the Board possesses expertise about county finances and the county workforce in making benefit decisions. Lack of representation may result in a situation where Board members do not fully consider the impact of their actions on the counties, resulting in changes that may

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not be cost beneficial in the aggregate or may affect the retirement income of county employees and retirees.

As affirmed by the record of votes of the members of your Committee on Transportation, International and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2174 and recommends that it pass Second Reading and be referred to the Committee on Labor.

Respectfully submitted on behalf of the members of the Committee on Transportation, International and Intergovernmental Affairs,

J. KALANI ENGLISH, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Transportation, International and Intergovernmental Affairs TIA

Bill / Resolution No.:* Committee Referral: Date: 1-25-10				
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 (WR)	Nay	Excused
ENGLISH, J. Kalani (C)				
GABBARD, Mike (VC)				
ESPERO, Will			***************************************	
NISHIHARA, Clarence K.				
SLOM, Sam				
TOTAL	4			
Recommendation: Adopted Not Adopted				
Chair's or Designee's signature:				
Distribution: Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Golde Committee	· ·

*Only one measure per Record of Votes