STAND. COM. REP. NO.

Honolulu, Hawaii Feb 2, 2011 RE: H.B. No. 174

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 174 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure fair representation of the membership of the Employees' Retirement System (ERS) by including county representation on the membership of the Board of Trustees of the ERS (Board).

The Hawaii Council of Mayors, Hawaii State Association of Counties, Department of Budget and Fiscal Services of the City and County of Honolulu, Department of Human Resources of the City and County of Honolulu, and a concerned individual testified in support of this bill. The Department of Budget and Finance supported the intent of this measure. The Board provided comments.

Current representation on the Board is established in such a way as to ensure that a balance exists between members representing the interests of both public employers and employees. However, current Board membership lacks county representation. As counties contribute a considerable share to the ERS costs and their employees and retirees make up a large portion of the ERS membership, your Committee finds that it seems only fair that some form of county representation be established on the Board.

HB174 HSCR LAB HMS 2011-1668

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As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174 and recommends that it pass Second Reading and be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

KARL RHOADS, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature



Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB174	Committee Referral: LAB,FIN		Date:	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Image: Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)				
2. YAMASHITA, Kyle T. (VC)				
3. AQUINO, Henry J.C.				
4. CULLEN, Ty				
5. ICHIYAMA, Linda				
6. LEE, Marilyn B.				
7. LUKE, Sylvia				· · · · · · · · · · · · · · · · · · ·
8. SAIKI, Scott K.				
9. SOUKI, Joseph M.				·
10. TAKUMI, Roy M.				
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11. FONTAINE, George R.				
12. JOHANSON, Aaron Ling				
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TOTAL (12)	t t	1		
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				