STAND. COM. REP. NO.

Honolulu, Hawaii February 16, 2017

RE: H.B. No. 1067 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1067 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow the Executive Director of the Board of Trustees of the Employees' Retirement System to appoint one or more investment professionals under the direction of the chief investment officer; and
- (2) Exempt investment officers and investment professionals, including investment specialists, from civil service and collective bargaining laws.

The Employees' Retirement System testified in support of this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in opposition.

Although the purpose of this measure is to exempt two investment specialists from civil service laws, your Committee finds that it is the legislature's intent to pursue conversion of exempt positions in the executive branch to civil service positions.



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Your Committee has amended this measure by:

- Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

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. 1067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1067, H.D. 1, and be referred to your Committee on Finance.

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

NSON, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: [+B16G7] LA		e Referral: Date B, FIN		e: D9FEB17	
The committee is reconsidering its			l	· · · · · · · · · · · · · · · · · · ·	
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) 					
LAB Members		Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)					
2. HOLT, Daniel (VC)		\checkmark			
3. KEOHOKALOLE, Jarrett		\checkmark			
4. NAKASHIMA, Mark M.					
5. TAKUMI, Roy M.					
6. YAMASHITA, Kyle T.					
7. MATSUMOTO, Lauren Kea	alohilani	\checkmark			
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TOTAL (7)		7	0	0	0
The recommendation is: X Adopted					
If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature		e flet			
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					