

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2765
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2765, S.D. 1, 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 provide the Board of the Employees' Retirement System (Board) with the flexibility to attract and hire experienced professionals necessary to achieve the System's investment goals by authorizing the Board to hire investment officers and professionals who shall be exempt from civil service and collective bargaining requirements, while allowing current investment specialists the option to remain in their civil service position.

The Employees' Retirement System and University of Hawaii Professional Assembly supported this measure.

Your Committee requests that the Board monitor these civil service exempt investment professional positions to help achieve the System's investment goals, given recent investment personnel events at the Employees' Retirement System.



Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.

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 S.B. No. 2765, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2765, S.D. 1, 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,



AARON LING JOHANSON, Chair



