STAND. COM. REP. NO. 779

Honolulu, Hawaii

, 2021

FEB 17 H.B. No. 930 RE: H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 930 entitled:

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

begs leave to report as follows:

The purpose of this measure is to exempt certain specific types of alternative investment fund information from disclosure under Chapter 92F, Hawaii Revised Statutes, because the disclosure of this information would put the Employees' Retirement System at a competitive disadvantage and frustrate its legitimate government investment functions.

Your Committee received testimony in support of this measure from the Employees' Retirement System. Your Committee received testimony in opposition to this measure from the Civil Beat Law Center for the Public Interest. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that this measure provides a limited exemption from disclosure of specific types of investment fund information under the Uniform Information Practices Act to enable the Employees' Retirement System to maintain the confidentiality of information relating to alternative investments, such as investments in private equity, private credit, and private real

estate funds, consistent with competitive investment market best practices. Your Committee further finds this exemption to be reasonably limited and specific, consistent with the Office of Information Practices' testimony that the records would likely fall under the Uniform Information Practices Act's frustration exception to disclosure and would, therefore, not restrict public access to a type of record that has historically been public under the Uniform Information Practices Act.

Your Committee has amended this measure by:

- (1) Changing the effective date to December 25, 2040, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 930, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 930, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor & Tourism,

ŔICHARD H.K. ONISHI, Chair

State of Hawaii House of Representatives

The Thirty-first Legislature #\$ce 331 Record of Votes of the Committee on Labor & Tourism

Bill/Resolution No.: HB 930	Committee Referral		Date: 02-11-	21
θ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: θ Pass, unamended (as is) θ Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)				
LAT Members	Ay	es Ayes (VR) Nays	Excused
1. ONISHI, Richard H.K. (C)	V			
2. SAYAMA, Jackson D. (VC)				
2. SATAMA, Jackson D. (VC)				
3. BELATTI, Della Au				V
4. HOLT, Daniel	V			
5. KOBAYASHI, Dale T.			V	
6. QUINLAN, Sean				
7. TAKAYAMA, Gregg				
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8. OKIMOTO, Val		V		
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