

Honolulu, Hawaii

MAR 20 , 2026

RE: S.B. No. 3097
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Labor, to which was referred S.B. No. 3097,
S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EXEMPTION FROM CIVIL
SERVICE OF EXECUTIVE PERSONNEL OF THE EMPLOYEES' RETIREMENT
SYSTEM,"

begs leave to report as follows:

The purpose of this measure is to allow the Board of Trustees
of the Employees' Retirement System, through its Executive
Director, to appoint a Deputy Executive Director, a Chief
Compliance Officer, and an Information Security Officer, and to
exempt these positions from state civil service requirements.

Your Committee received testimony in support of this measure
from the Board of Trustees of the Employees' Retirement System.

Your Committee finds that the Employees' Retirement System
has experienced substantial growth in membership and increasing
complexity in technological, compliance, and regulatory
obligations, which has elevated the demands placed on its
executive-level leadership. Your Committee further finds that the
Deputy Executive Director, Chief Compliance Officer, and
Information Security Officer positions require specialized
expertise, competitive compensation, and direct accountability



structures to effectively safeguard operations and assets of the Employees' Retirement System. This measure will strengthen governance, improve recruitment and retention, and ensure the long-term stability and professionalism of the System.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3097, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3097, 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,


JACKSON D. SANYAMA, Chair



Record of Votes of the Committee on Labor

Bill/Resolution No.: SB 3097, SD1	Committee Referral: LAB, FIN	Date: 3/17/26
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The committee is reconsidering its previous decision on the measure.

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. SAYAMA, Jackson D. (C)	X			
2. LEE, Mike (VC)	X			
3. GARRETT, Andrew Takuya	X			
4. KAPELA, Jeanne	X			
5. KONG, Sam Satoru	X			
6. REYES ODA, Julie				X
TOTAL (6)	5			1

The recommendation is: Adopted Not Adopted
 If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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