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**TESTIMONY BY DONNA TONAKI**  
**ASSISTANT ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST**  
**FUND**  
**DEPARTMENT OF BUDGET AND FINANCE**  
**STATE OF HAWAII**  
**TO THE SENATE COMMITTEE ON WAYS AND MEANS**  
**ON SENATE BILL NO. 3095**

**March 2, 2026**  
**10:31 a.m.**  
**Conference Room 211 & Videoconference**

**RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**  
**INVESTMENT OFFICE SALARIES**

Chair Del Cruz, Vice Chair Moriwaki, and Members of the Committee:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees strongly supports this bill. The EUTF Board currently sets the salary of the EUTF Administrator and Chief Investment Officer (CIO) and respectfully requests the ability to set the salaries of the investment officers and investment analysts. The EUTF Investment Office is currently comprised of the CIO, two investment officer, and two investment analyst positions. All Investment Office positions are exempt from civil service and funded through trust funds. EUTF has also submitted a supplemental budget request for an additional exempt investment officer position.

Currently, salaries for investment officers and investment analysts, in general, are only eligible to receive across the board increases and increases for changes in their position descriptions. Salaries for investment professionals in the private sector far outpace that of state employment, making attracting and retaining quality investment staff difficult. Based on

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF), an agency within the State Department of Budget and Finance, provides medical, prescription drug, dental, vision and life insurance coverage to eligible state and county employees, retirees and dependents.

research of similar positions and salary surveys, EUTF investment office salaries are currently lower than both local and national peers. Allowing the EUTF Board to determine salaries will help EUTF recruit and retain the most qualified professionals to invest and manage the other post-employment benefits (OPEB) Trust Fund which was valued at over \$10.1 billion as of December 31, 2025. The OPEB Trust Fund is projected to increase to over \$20 billion by July 1, 2035.

This amendment is modeled after the statutory wording in section 88-29.5, HRS which provides the board of the trustees of the Employees' Retirement System of the State of Hawaii with similar powers for exempt investment office staff.

Thank you for the opportunity to testify.