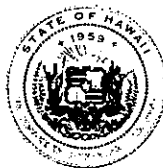


LINDA LINGLE
GOVERNOR



MARIE C. LADERTA
DIRECTOR

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DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 10, 2008

TESTIMONY TO THE
SENATE COMMITTEE ON JUDICIARY AND LABOR
For Hearing on March 11, 2008
9:30 a.m., Conference Room 016

BY

MARIE C. LADERTA, DIRECTOR

House Bill No. 1365
Relating to the State of Hawaii
Deferred Compensation Plans

TO CHAIRPERSON BRIAN TANIGUCHI AND MEMBERS OF THE
COMMITTEE:

My name is Marie Laderta, and I am the Director of the Department of Human Resources Development ("**DHRD**"). I am also the Chairperson of the Board of Trustees ("**Board**") for both the State of Hawaii Deferred Compensation Plan and the State Deferred Compensation Retirement Plan for Part-time, Temporary, and Seasonal or Casual Employees.

H.B. No. 1365 clarifies the types of investment products that can be offered to participants of both plans, and which are commonly offered in the securities industry and other deferred compensation plans.

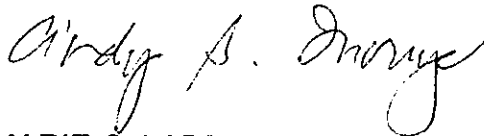
DHRD and the Board strongly support this administration-sponsored bill.

The securities industry has been constantly changing and new types of investment products are being created and offered to the public.

Although the current language in HRS sections 88E-9 and 88F-7 involving the types of investment products the plans can invest in is broad, this bill amends these sections to make it clear that the Board may select and offer any type of investment product that is commonly offered in the securities industry or other deferred compensation plans that are determined by the Board to be reasonably prudent investment products. These amendments are necessary to ensure that the Board will keep pace with the ever-changing securities industry, and will be able to offer the best types of investment products to participants of both plans.

Thank you for the opportunity to testify on this important measure. We respectfully request your expeditious and favorable consideration of this proposal.

Respectfully submitted,


for MARIE C. LADERTA