

TESTIMONY

GM 513

April 9, 2009

The Honorable Senator Dwight Y. Takamine
Chair, Senate Committee on Labor
Hawaii State Capitol, Room 204
Honolulu, HI 96813

Dear Chair Takamine and Members of the Senate Committee on Labor,

Subject: Governor's Message Number 513
Board of Trustees, Deferred Compensation Plan

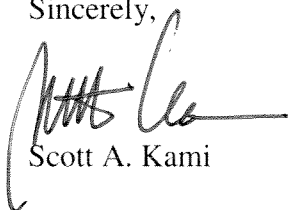
Thank you for consideration of my nomination to the Board of Trustees for the State's Deferred Compensation Plan. As a participant in the Plan, I appreciate the important benefits and investment opportunities offered by the Plan.

The majority of my career has been with State government, and I have 23 years of progressively responsible experience in the area of financial management with the State. In my current position with the Department of Budget and Finance as the Division Administrator of the Financial Administration Division, I oversee the investment, debt management, unclaimed property, and college savings programs for the State. The administration of these programs requires detailed knowledge of the financial markets which I believe, should I be approved as a member of the Board of Trustees, will be very beneficial in administering the Deferred Compensation Plan.

Once again, thank you for your consideration of my nomination and allowing me to make these brief comments. Should my nomination be approved, I will endeavor to provide the Plan's participants with a top tier program and look forward to serving my fellow employees.

Thank you for this opportunity to present my comments and I will be happy to answer any questions.

Sincerely,



Scott A. Kami

LINDA LINGLE
GOVERNOR OF HAWAII



MARIE C. LADERTA
DIRECTOR

CINDY S. INOUE
DEPUTY DIRECTOR

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

April 8, 2009

TESTIMONY TO THE
SENATE COMMITTEE ON LABOR
For Hearing On
Thursday, April 9, 2009
2:45 p.m., Conference Room 224

By

MARIE C. LADERTA, DIRECTOR and
CHAIRPERSON OF THE DEFERRED COMPENSATION PLAN
BOARD OF TRUSTEES

Governor's Message #513

Relating to the Appointment of

SCOTT A. KAMI

To the Board of Trustees, Deferred Compensation Plan

TO CHAIRPERSON DWIGHT TAKAMINE AND COMMITTEE MEMBERS:

The Department of Human Resources Development and the Board of Trustees of the State of Hawaii Deferred Compensation Plan support the appointment of Mr. Scott Kami to the Board.

Mr. Kami has over 20 years of experience in financial administration, including administering the State of Hawaii's College Savings Program (HI529) plan. He is currently the Financial Administration Division Administrator in the Department of Budget and Finance; is responsible for planning, implementing and administering the State's financial affairs related to the State Treasury's cash management, investment, and debt management programs; and advises and assists the Director of Finance in

formulating financial policies for the department and the State. Mr. Kami is also responsible for ensuring the State's credit rating is at its optimum level and oversees the issuance of general obligation, revenue, and special purpose revenue bonds.

Based on his extensive knowledge and background in the areas of finance and public administration, we believe that Mr. Kami will be a tremendous asset to the Board of Trustees, the Plan, and its participants. **Therefore, we urge your support of Mr. Kami's appointment.**

Thank you for the opportunity to testify.

LINDA LINGLE
GOVERNOR



GEORGINA K. KAWAMURA
DIRECTOR

ROBERT N. E. PIPER
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION

April 8, 2009

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The Honorable Dwight Y. Takamine, Chair
The Honorable Brian T. Taniguchi, Vice Chair
Senate Committee on Labor
Twenty-Fifth State Legislature
State Capitol
Honolulu, Hawaii 96813

APR 09 2009

Dear Senator Takamine and Senator Taniguchi:

This is a letter in **support** of Scott Kami's appointment to the Board of Trustees of the Deferred Compensation Plan.

I have worked closely with Scott for about eight years as a fellow Division Administrator in the Department of Budget of Finance. Besides being a very nice guy to work with, he is extremely knowledgeable in the public finance area with extensive hands-on experience in state investments and state bond issues as well as in housing financing.

Scott is smart, capable and hardworking. He has a sharp analytic mind, consistently displays sound judgment, and has very good communication skills.

As a former, ex-officio member of this Board, I believe that Scott possesses the necessary education, experience and personal qualities to make an excellent Trustee. I urge that the Senate confirm his appointment.

Sincerely,

Neal Miyahira, Administrator
Budget, Program Planning and Management
Division
Department of Budget and Finance

April 8, 2009

TESTIMONY TO THE
SENATE COMMITTEE ON LABOR
For Hearing On
April 9, 2009
2:45 p.m., Conf. Rm. 224

By

SANDI YAHIRO

DEPUTY DIRECTOR, STATE DEPARTMENT OF TAXATION, and TRUSTEE
OF THE DEFERRED COMPENSATION PLAN BOARD OF
TRUSTEES

Governor's Message #513

Relating to the Appointment of

SCOTT A. KAMI

To the Board of Trustees, Deferred Compensation Plan

TO CHAIRPERSON DWIGHT TAKAMINE AND Committee Members:

**I support the appointment of Mr. Scott Kami to the Deferred
Compensation Plan Board of Trustees.**

Mr. Kami has been the Administrator of the Financial Administration Division at the Department of Budget and Finance for over eight years. In this position, he is responsible for the administration and management of the State Treasury which has a fund balance of approximately \$3.5 billion. Prior to this

position, Mr. Kami worked as a Finance Branch Manager at the Housing and Community Development Corporation of Hawaii and as a Loan Officer at First Interstate Bank of Hawaii. Mr. Kami's broad and extensive range of finance knowledge and experience will be a valued asset on the Deferred Compensation Board.

Therefore, I urge your support of Mr. Kami's appointment.

Thank you for the opportunity to testify.

April 7, 2009

The Honorable Dwight Y. Takamine, Chair
The Honorable Brian T. Taniguchi, Vice Chair
Senate Committee on Labor
State Capitol, Room 224
Honolulu, Hawaii 96813

Re: GM 513 Nomination of Scott A. Kami
Board of Trustees of the Deferred Compensation Plan
Hearing: Thursday, April 9, 2009, 2:45 p.m.

Thank you for the opportunity to offer **support** for the nomination of Scott A. Kami to the Board of Trustees of the Deferred Compensation Plan.

Mr. Kami has a wealth of financial, cash management, and investment experience. I first worked with Scott when he was a Finance Specialist in the Housing Finance Branch of the state housing authority. Because of his knowledge and skills, Scott was promoted to more responsible positions until becoming the Finance Branch Manager where he administered mortgage and financing programs for the development of housing. Today, Scott is the Administrator for the Financial Administration Division of the Department of Budget and Finance and is responsible for planning, implementing and administering the State's financial affairs relating to the State Treasury's cash management, investment, and debt management programs.

On a personal note, I've known Scott for over 20 years. He is intelligent, sincere, and an all around "good guy". He will be an asset to the Board of Trustees of the Deferred Compensation Plan.

Thank you for the opportunity to submit written testimony in support of Scott A. Kami.

Sincerely,

Janice Takahashi

CRAIG K. HIRAI, CPA
733 Bishop Street, Suite 2020
Honolulu, Hawaii 96813
Telephone: (808) 526-2020
Facsimile: (808) 526-2021

April 6, 2009

The Honorable Dwight Y. Takamine, Chair
Senate Committee on Labor
State Capitol, Room 224
415 South Beretania Street
Honolulu, Hawaii 96813

RE: GM 513, Submitting for consideration and confirmation to the Board of Trustees of the Deferred Compensation Plan, Gubernatorial Nominee, SCOTT A. KAMI, for a term to expire 6-30-2013.

HEARING DATE: Thursday, April 9, 2009 @ 2:45 p.m.

Aloha Chair Takamine and Members of the Committee:

I am Craig Hirai, a practicing certified public accountant who has served as the chair and vice chair of the State Rental Housing Trust Fund Commission, and as the chair of the State Rental Housing Trust Fund Advisory Commission (and ex-officio member of the board of directors of the Housing and Community Development Corporation of Hawaii).

During most of this period I worked very closely with Mr. Kami in his capacity as the Housing Finance Branch Chief of the State Housing Finance and Development Corporation and the Housing and Community Development Corporation of Hawaii.

Being personally acquainted with Mr. Kami's capabilities in financial matters, I strongly recommend his confirmation as a member of the Board of Trustees of the Deferred Compensation Plan.

Thank you for the opportunity to testify in **strong support** of Mr. Kami's confirmation.

Sincerely yours,



Craig K. Hirai, CPA, ABV, CFF, MBA, LLM

Subject: GM 513 - Nomination of Scott A. Kami to the Board of
Trustees State's Deferred Compensation Plan
Thursday, April 9, 2009; 2:45 pm
Conference Rom 224

SUPPORT CONFIRMATION of Scott A. Kami

Dear Chair Takamine, Vice Chair Taniguchi, and Members of the Committee

I am writing in **strong support** of the nomination of Scott A. Kami to the Board of Trustees State's Deferred Compensation Plan

I have worked with Mr. Kami in my previous State position within the Housing department, formally known as the Hawaii Housing Authority (HHA). His expertise in financing and bond sales I believe were instrumental in the production of homes under the HHA. His technical and extensive background in financial and public administration and his overall business acumen would be an asset to the Board of Trustees State's Deferred Compensation Plan. While he has a wide experience in State government and has ascended to his current position, this Hilo native remains humble and grounded and committed to serve and committed to strong family values.

Mr. Kami's experience, intelligence and integrity will make him a strong and valuable member of the Board of Trustees State's Deferred Compensation Plan. I respectfully request your approval of his nomination.

My apologies for the late testimony; thank you for your consideration.

Please contact me at 548-3793 if you have any questions.

Carleton Ching
Vice President
Community and Government Relations
Castle & Cooke Hawaii
100 Kahelu Avenue, 2nd Floor
Mililani, HI 96789



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The Twenty-Fifth Legislature, State of Hawaii
Hawaii State Senate
Committee on Labor

Testimony by
Hawaii Government Employees Association
April 9, 2009

GM 513 / GM 514 – Submitting for
Consideration and Confirmation to the
Board of Trustees of the Deferred
Compensation Plan, Gubernatorial
Nominees Scott M. Kami and
Wesley Machida.

The Hawaii Government Employees Association offers comments on the confirmation of these nominees to the Board of Trustees of the Deferred Compensation Plan. We have worked with Mr. Machida and have found him to be of good character and a person of integrity. We also have no reason to doubt Mr. Kami's qualifications as a good candidate for the Board. **Our concern stems with the manner in which nominees for this board are selected.**

Under Section 88E-4, HRS, the composition of the Board of Trustees must include the Director of DHRD, the Director of Budget and Finance or designee as an ex-officio member, and five other persons, three of whom shall be public employees and represent employee interests. The problem we see is that "employee interests" is not clearly defined. We believe that "employee interests" should be preserved by including employees representing line workers, not limited to supervisors or managers as represented by Mr. Machida and Mr. Kami. Perhaps the statute warrants an amendment to clarify this issue.

Managers and supervisors usually receive higher salaries and generally have more disposable income. They may also have more knowledge of investment options and financial planning than those who are in non-supervisory/non-managerial positions. Consequently, they may not necessarily identify with the need for financial planning or relate to investments in the same way as a line worker, especially during this serious recession and period of market volatility.

Thank you for the opportunity to testify on GM 513 and GM 514.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director