

---

---

## A BILL FOR AN ACT

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the counties need  
2 representation on the board of trustees of the employees'  
3 retirement system of the State. The counties contribute a  
4 considerable share to retirement system costs, and their  
5 employees and retirees are a significant portion of the system's  
6 membership. County representation will ensure that the board  
7 possesses expertise about county finances and the county  
8 workforce in making benefit decisions. Lack of representation  
9 may result in a situation where board members do not fully  
10 consider the costs of their actions on the counties, resulting  
11 in changes that may not be cost beneficial in the aggregate or  
12 may affect the retirement income of county employees and  
13 retirees.

14           The purpose of this Act is to include county representation  
15 on the membership of the board of trustees of the employees'  
16 retirement system.

17           SECTION 2. Section 88-24, Hawaii Revised Statutes, is  
18 amended to read as follows:



1           "§88-24   **Composition of board.**   The board of trustees shall  
2 consist of eight members as follows:

3           (1)   The director of finance of the State, ex officio;

4           (2)   Four members of the system, two of whom shall be  
5                general employees, one of whom shall be a teacher, and  
6                one of whom shall be a retirant to be elected by the  
7                members and retirants of the system under rules  
8                adopted by the board governing the election to serve  
9                for terms of six years each, one of the terms to  
10              expire on January 1 of each even-numbered year;  
11             provided that, if after the close of filing of  
12             petitions for candidacy, a member is unopposed for  
13             election to a trustee position, the member shall be  
14             deemed and declared to be duly and legally elected to  
15             the position of trustee without an election; [~~and~~]

16           (3)   [~~Three~~] Two citizens of the State who are not  
17                employees, one of whom shall be a responsible officer  
18                of a bank authorized to do business within the State,  
19                or a person of similar experience, to be appointed by  
20                the governor, with the advice and consent of the  
21                senate, to serve for a term of six years each, one of



1 the terms to expire January 1 of each odd-numbered  
2 year[-]; and

3 (4) One member appointed by the Hawaii council of mayors  
4 to represent the counties, to serve for a term of six  
5 years with each term to expire on January 1 of an odd-  
6 numbered year.

7 Each trustee shall serve until the trustee's successor is  
8 elected or appointed, as the case may be, and qualified. For  
9 the purpose of this section, the term "general employees"  
10 includes police officers and firefighters."

11 SECTION 3. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect upon its approval.

14

INTRODUCED BY:

Calvin K. King  
BY REQUEST

JAN 19 2010



**Report Title:**

Employees' Retirement System; Board of Trustees

**Description:**

Replaces a public member on the Board of Trustees of the Employees' Retirement System with a member selected by the Council of Mayors.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

