

JAN 20 2010

S.B. NO. 2174

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.

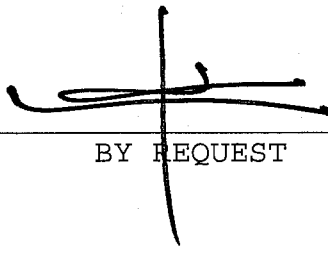
7 Each trustee shall serve until the trustee's successor is
8 elected or appointed, as the case may be, and qualified. For
9 the purpose of this section, the term "general employees"
10 includes police officers and firefighters."

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:


BY REQUEST



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.

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