

SB 2174

HAWAII COUNCIL OF MAYORS

Testimony of the

Hawaii Council of Mayors

Bernard Carvalho, Jr., Mayor of Kauai County
Mufi Hannemann, Mayor of the City and County of Honolulu
Billy Kenoi, Mayor of Hawaii County
Charmaine Tavares, Mayor of Maui County

Before a Hearing of the
**Senate Committee on Transportation,
International and Intergovernmental Affairs**

January 25, 2010

Senate Bill 2174, Relating to the Employees' Retirement System

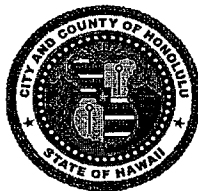
The Hawaii Council of Mayors supports Senate Bill 2174, which amends Section 88-24 of the Hawaii Revised Statutes to adjust the membership of the Employees' Retirement System's board of trustees to provide for county representation.

The counties contribute to the ERS but have no votes on its board. The proposed amendment would enable the mayors to appoint one trustee to represent the county governments.

The decisions of the ERS significantly affect the counties, our employees, and our retirees. Although the mayors acknowledge the service and contributions of the ERS board, no one on the board has direct knowledge of the effect of board decisions on the counties or their employees and retirees. All public employers must fund board decisions, but the state is the only public employer represented. This inequity can be addressed through this proposal.



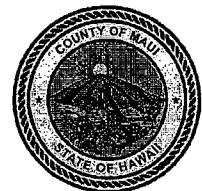
Mayor Billy Kenoi
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720



Mayor Mufi Hannemann
City and County of Honolulu
530 South King Street
Honolulu, Hawaii 96813



Mayor Bernard Carvalho, Jr.
County of Kauai
4444 Rice Street, Suite 235
Lihue, Hawaii 96766

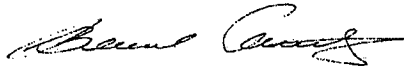


Mayor Charmaine Tavares
County of Maui
200 South High Street, 9th Floor
Wailuku, Hawaii 96793

The counties have always assumed their responsibility for funding the ERS. The mayors believe that the county governments should be able to vote on policies and costs we have to bear, and that we should have a role in those decisions that affect us.

The HCOM strongly supports passage of this bill, and thanks the committee for its consideration.

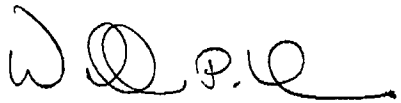
Mahalo.



Bernard P. Carvalho, Jr.
Mayor of Kauai County



Mufi Hannemann
Mayor of the City and County of Honolulu



William P. Kenoi
Mayor of Hawaii County



Charmaine Tavares
Mayor of Maui County

Council Chair
Danny A. Mateo

Vice-Chair
Michael J. Molina

Council Members
Gladys C. Baisa
Jo Anne Johnson
Sol P. Kaho'ohalahala
Bill Kauakea Medeiros
Wayne K. Nishiki
Joseph Pontanilla
Michael P. Victorino



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

January 24, 2010

TO: The Honorable J. Kalani English, Chair
Senate Committee on Transportation, International and Intergovernmental Affairs

FROM: Joseph Pontanilla, Treasurer *J. Pontanilla*
Hawaii State Association of Counties

SUBJECT: **HEARING OF JANUARY 25, 2010; TESTIMONY IN SUPPORT SB 2174,
RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM**

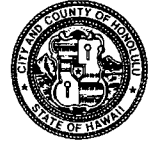
Thank you for the opportunity to testify in support this important measure. The purpose of this measure is to include county representation on the membership of the board of trustees of the employees' retirement system.

I am aware that the President of the Hawaii State Association of Counties (HSAC) has submitted testimony, on behalf of HSAC, in support of this measure. Legislation with a similar purpose is included in the HSAC Legislative Package; however, the Maui County Council has not had the opportunity to take a formal position on this matter. Therefore, as the Treasurer of HSAC and as Maui County's representative to HSAC, I concur with the testimony submitted by the President, and urge you to support this measure.



Hawai'i State Association of Counties

Counties of Kaua'i, Maui, Hawai'i, and City & County of Honolulu



TESTIMONY OF DEREK S. K. KAWAKAMI
PRESIDENT, HAWAI'I STATE ASSOCIATION OF COUNTIES

SENATE COMMITTEE ON TRANSPORTATION, INTERNATIONAL AND
INTERGOVERNMENTAL AFFAIRS
JANUARY 25, 2010 AT 1:15 P.M.
CONFERENCE ROOM 224, STATE CAPITOL

- **Senate Bill No. 2174: Relating to the Employees Retirement System**

The Honorable J. Kalani English, Chair, Senate Committee on Transportation, International and Intergovernmental Affairs and Committee Members:

My name is Derek S. K. Kawakami, and I submit this testimony in my capacity as President of the Hawai'i State Association of Counties (HSAC).

The Executive Committee of HSAC supports Senate Bill No. 2174 (SB2174), which proposes to include County representation on the membership of the Board of Trustees of the Employees' Retirement System (ERS) and is part of the Hawai'i Council of Mayors' (HCOM's) legislative package.

HSAC is currently in the process of adopting this legislative proposal to provide for county representation on the ERS Board of Trustees as part of its 2010 legislative package, and we are committed to achieving a single piece of proposed legislation that has the full support of both HSAC and HCOM.

Thank you for this opportunity to submit this testimony and to address any questions or concerns this Committee may have.





HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA
Executive Director
Tel: 808.543.0011
Fax: 808.528.0922

NORA A. NOMURA
Deputy Executive Director
Tel: 808.543.0003
Fax: 808.528.0922

DEREK M. MIZUNO
Deputy Executive Director
Tel: 808.543.0055
Fax: 808.523.6879

The Twenty-Fifth Legislature, State of Hawaii
Hawaii State Senate
Committee on Transportation, International and Intergovernmental Relations

Testimony by
Hawaii Government Employees Association
January 25, 2010

S.B. 2174 – RELATING TO THE
EMPLOYEES' RETIREMENT SYSTEM

The Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B. 2174. It would replace a public member on the ERS Board of Trustees with one selected by the Hawaii Council of Mayors to represent the City and County of Honolulu, and the neighbor island counties.

The counties contribute a considerable amount to fund the retirement system, and their employees and retirees represent a significant portion of the system's membership. County representation will ensure that the board possesses knowledge about counties' finances and workforce when making important decisions about benefits. Therefore, the counties should have membership on the ERS Board of Trustees.

Thank you for the opportunity to testify in support of S.B. 2174.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director

TESTIMONY BY DAVID SHIMABUKURO
ADMINISTRATOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII
TO THE SENATE COMMITTEES ON TRANSPORTATION,
INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS
AND LABOR
ON
SENATE BILL NO. 2174

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

JANUARY 25, 2010

Chairs English and Takamine and Members of the Committees:

S.B. 2174 proposes to include county representation on the membership of the Board of Trustees of the Employees' Retirement System.

The ERS Board of Trustees has not yet had the opportunity to discuss this Bill and accordingly, has not yet taken a position at this time.