

STAND. COM. REP. NO. 777

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 174

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 174  
entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT  
SYSTEM, "

begs leave to report as follows:

The purpose of this bill is to improve the representation on  
the Board of Trustees of the Employees' Retirement System (ERS  
Board) by increasing the ERS Board membership from eight members  
to ten members, to include:

- (1) An additional member who is a general employee; and
- (2) A member who is appointed by unanimous agreement of the  
county mayors and approved by the Hawaii State  
Association of Counties (HSAC), subject to the advice  
and consent of the Senate in the same manner as trustees  
who are appointed by the governor.

The City and County of Honolulu Departments of Budget and  
Fiscal Services and Human Resources, HSAC, and the HSAC Treasurer  
testified in support of this bill. The ERS Board opposed this  
measure. The Department of Budget and Finance commented on this  
measure.

HB174 HD1 HSCR FIN HMS 2011-2668



Your Committee has amended this bill by:

- (1) Requiring the counties to be responsible for all necessary expenses, including travel, board, and lodging expenses, and any other costs, incurred in the performance of the member of the counties' duties;
- (2) Changing its effective date to July 1, 2030, to encourage continued discussion; and
- (3) Making a technical, nonsubstantive amendment for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 174, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



