

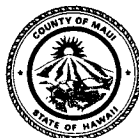
HB174,HD1

Testimony

Council Chair
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Vice-Chair
Joseph Pontanilla

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Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
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Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
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March 21, 2011

TO: The Honorable Clayton Hee, Chair
Senate Committee on Judiciary and Labor
Honorable Senator Will Espero, Chair
Senate Committee on Public Safety, Government Operations, and Military Affairs

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

SUBJECT: **HEARING OF MARCH 22, 2011; TESTIMONY IN SUPPORT OF HB 174, HD1,
RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM**

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure is to increase the members on the Employees' Retirement System (ERS) Board of Trustees from eight to ten. It further establishes county representation on the ERS Board of Trustees.

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, which is in the HSAC Legislative Package. As the Treasurer of HSAC, I concur with the testimony submitted by the President, and urge you to support this measure.

TESTIMONY BY WESLEY K. MACHIDA
ADMINISTRATOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR
AND
TO THE SENATE COMMITTEE ON PUBLIC SAFETY, GOVERNMENT OPERATIONS,
AND MILITARY AFFAIRS
ON
HOUSE BILL NO. 174, H.D 1

MARCH 22, 2011

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

Chairs Hee and Espero and Members of the Committees:

H.B. 174, H.D. 1 proposes to include county representation on the membership of the Board of Trustees of the Employees' Retirement System.

The ERS Board of Trustees opposes this bill. County appointee shouldn't be appointed to represent the counties, but he or she should represent all members. There has always been a representative on the Board from the City over the past 40 years. If the Trustee is from the County, then added travel costs of about \$5,000 per year and materials and other costs of about \$800 per year.

Thank you for the opportunity to testify on this important measure.

Hawai'i State Association of Counties (HSAC)
Counties of Kaua'i, Maui, and Hawai'i, and City & County of Honolulu

TESTIMONY OF DEREK S. K. KAWAKAMI
PRESIDENT, HAWAII STATE ASSOCIATION OF COUNTIES

SENATE COMMITTEES ON JUDICIARY & LABOR (JDL),
AND PUBLIC SAFETY, GOVERNMENT OPERATIONS, & MILITARY AFFAIRS (PGM)
March 22, 2011 AT 9:00 A.M.
CONFERENCE ROOM 016, STATE CAPITOL

House Bill No. 174, House Draft 1; Relating to the Employees'
Retirement System (ERS); HSAC Package

The Honorable Clayton Hee, Chair, Senate Committee on JDL and Honorable Will Espero, Chair, Senate Committee on PGM, 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 Hawai'i State Association of Counties is in support of H.B. 174, H.D. 1, which proposes to amend Section 88-24 of the Hawai'i Revised Statutes to include county representation on the membership of the Board of Trustees of the Employees' Retirement System (ERS).

This proposal consists of ten trustees: the State Director of Finance, five members of the system, three citizens of the State who are not employees, and one member appointed by the mayors of the Counties and approved by HSAC. By adding a trustee to the board of trustees of the ERS to represent the interests of the Counties will ensure that the board has representation with the knowledge and expertise of county finances and the county workforce when making decisions.

Thank you for this opportunity to submit this testimony.

Mahalo nui loa,

Derek S.K. Kawakami

Derek S.K. Kawakami (4p)
HSAC President

From: mailinglist@capitol.hawaii.gov
To: [JDLTestimony](#)
Cc: swartzg001@hawaii.rr.com
Subject: Testimony for HB174 on 3/22/2011 9:00:00 AM
Date: Friday, March 18, 2011 3:26:30 PM

Testimony for JDL/PGM 3/22/2011 9:00:00 AM HB174

Conference room: 016
Testifier position: comments only
Testifier will be present: No
Submitted by: gregory swartz
Organization: Individual
Address:
Phone:
E-mail: swartzg001@hawaii.rr.com
Submitted on: 3/18/2011

Comments:
Retirees are not adequately represented on the board.