

NEIL ABERCROMBIE
GOVERNOR



BARBARA A. KRIEG
DIRECTOR

LEILA A. KAGAWA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

TESTIMONY TO THE
SENATE COMMITTEE ON JUDICIARY AND LABOR

For Hearing on Wednesday April 10, 2013,
10:00 a.m., Conference Room 016

By

WAYNE L. CHU, CHAIRPERSON
DEFERRED COMPENSATION PLAN BOARD OF TRUSTEES

Governor's Message No. 568
Relating to the Consideration and Confirmation of
Gubernatorial Nominee, MICHAEL N. OKUMOTO
To the Board of Trustees, Deferred Compensation Plan

WRITTEN TESTIMONY ONLY

To Chairperson Clayton Hee and Members of the Committee:

I am submitting this testimony in **strong support** of Mr. Michael Okumoto to the Board of Trustees ("**Board**") of the State of Hawaii Deferred Compensation Plan ("**Plan**") in my capacities as the Chairperson of the Board.

Mr. Okumoto has served as a trustee on the Board from July 2, 2012 to the present. During his interim appointment, Mr. Okumoto has represented the Plan's and employees' interests well. He diligently attends Board meetings, faithfully fulfills his fiduciary responsibilities to the Plan and its participants, and he continually strives to improve the Plan.

In addition to his current term on the Board, Mr. Okumoto previously served as a Trustee from July 12, 2010 through June 30, 2011. I have served as a fellow Trustee

with Mr. Okumoto during this appointment period in which the Plan introduced various new features and improvements for participants and I feel that he demonstrates a dedication to making the Plan one of the best in the nation.

Mr. Okumoto brings a wealth of experience and knowledge in the areas of financial and cash management to the Board. In his capacity as the Treasurer of Hawaii County's Treasury Division, he is responsible for the cash management and the investment of county funds and the issuance of general obligation and improvement district bonds and regularly reviews economic and financial reports. Mr. Okumoto demonstrates a financial acumen that is of great benefit to this Board and the Board values his presence. Because of his tenure with the County of Hawaii, Mr. Okumoto would also balance the Board to include a county professional to convey neighbor island interests and concerns.

I firmly believe that Mr. Okumoto is an individual who demonstrates high integrity and that he will continue to be a tremendous asset to the Board. Therefore, I urge your support of Mr. Okumoto's appointment.

Thank you for the opportunity to testify.

NEIL ABERCROMBIE
GOVERNOR



BARBARA A. KRIEG
DIRECTOR

LEILA A. KAGAWA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

April 8, 2012

Testimony of
Barbara A. Krieg, Director
Department of Human Resources Development and
Ex-Officio Board Member of the Deferred Compensation Plan Board of Trustees
before the

SENATE COMMITTEE ON JUDICIARY AND LABOR

April 10, 2013

10:00 a.m., Conference Room 016

in consideration of

Governor's Message No. 568
Relating to the Consideration and Confirmation of
Gubernatorial Nominee, MICHAEL N. OKUMOTO
To the Board of Trustees of the Deferred Compensation Plan

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON CLAYTON HEE AND FELLOW COMMITTEE MEMBERS:

In my capacities as the Director of the Department of Human Resources Development ("DHRD") and current member of the Board of Trustees ("Board") of the State of Hawaii Deferred Compensation Plan ("Plan"), I am submitting this testimony in **strong support** of the nomination of Mr. Michael Okumoto to the Board.

Mr. Okumoto has served as a trustee on the Board from July 2, 2012 to the present. During this interim appointment, I have had the pleasure of working with him on a number of major items before the Board. Mr. Okumoto has demonstrated a strong commitment to improving the Plan, diligently attending Board meetings and faithfully fulfilling his fiduciary responsibilities to the Plan and its participants.

Having previously served on the Board from July 12, 2010 through June 30, 2011, Mr. Okumoto has extensive knowledge of the Board and the Plan. He is familiar with the latest developments within the Plan and his contributions to ongoing discussions have been invaluable.

Mr. Okumoto brings many years of experience to the Board in the areas of financial and cash management. As the Treasurer of the County of Hawaii's Treasury Division, he is responsible for the cash management and the investment of county funds and the issuance of general obligation and improvement district bonds. His background has proven to be of great benefit to this Board, and he has the qualifications to carryout the responsibilities of a Trustee.

In summary, I am confident Mr. Okumoto will continue to be a positive influence and a tremendous asset to the Board and the Plan. I look forward to continuing to work together with him and respectfully ask for your favorable consideration and confirmation of Mr. Okumoto to the Board of Trustees of the Deferred Compensation Plan.

Thank you for the opportunity to testify.

William P. Kenoi
Mayor



Nancy E. Crawford
Director

Deanna S. Sako
Deputy Director

County of Hawaii

Finance Department

25 Aupuni Street, Suite 2103 • Hilo, Hawaii 96720
(808) 961-8234 • Fax (808) 961-8248

April 9, 2013

The Honorable Senator Clayton Hee, Chair,
and Members of the Senate Committee on Judiciary and Labor
Hawai'i State Capitol
415 South Beretania Street, Room 016
Honolulu, Hawai'i 96813

Dear Chair Hee and Members of the Committee:

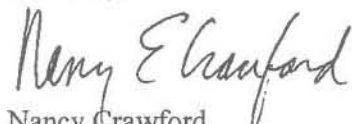
RE: Testimony Supporting GM 568, Consideration and Confirmation of Michael Okumoto to the Board of Trustees of the Deferred Compensation Plan
Hearing Wednesday, April 10, 2013, at 10:00 a.m., Conference Room 016

This letter is in strong support of Mr. Michael Okumoto's appointment to the Board of Trustees of the Deferred Compensation Plan. I have worked with Mr. Okumoto over the past twelve years in his position as Treasurer for the County of Hawai'i. During that time he has consistently displayed his leadership qualities and excellent judgment in his management of the County's debt, investments and other financial programs.

Mr. Okumoto is thoughtful and innovative. He is also an excellent communicator and collaborator, working well with others to make decisions and achieve stated goals. His experience in county finance and his many years in banking provide him with an excellent background for undertaking the duties of a trustee for the Deferred Compensation Board. Mr. Okumoto will also provide representation for Plan members on the neighbor islands.

I urge you to confirm Michael Okumoto to the Board of Trustees of the Deferred Compensation Plan.

Sincerely,


Nancy Crawford
Director of Finance



CENTRAL PACIFIC BANK THE SENATE
THE TWENTY-SEVENTH LEGISLATURE
REGULAR SESSION OF 2013

P.O. Box 3590
Honolulu, HI 96811-3590
Telephone (808) 544-0500

COMMITTEE ON JUDICIARY AND LABOR
Senator Clayton Hee, Chair
Senator Maile S.L. Shimabukuro, Vice Chair

NOTICE OF HEARING
DATE: April 10, 2013
TIME: 10:00 a.m.
PLACE: Conference Room 016
State Capitol
415 Beretania St. Honolulu, HI

Support of GM 568
Consideration & Confirmation to the Board of Trustees of the Deferred JDL
Compensation Plan, Gubernatorial Nominee, **MICHAEL OKUMOTO**
For a term to expire 6-30-2016

Dear Chair Hee, Vice Chair Shimabukuro and members of the committee:

As a community member and long-time financial institution employee, I am writing to express my strong encouragement for you to appoint **Michael Okumoto** to the Board of Trustees of the Deferred JDL Compensation Plan. Being a Senior Vice President & Sr. Commercial Manager of Central Pacific Bank, who has worked extensively with County government officials, businesses, and individuals, you could not have asked for a better person with greater integrity and credibility than Michael Okumoto.

Mr. Okumoto's knowledge and experience in dealing with financial matters is of the highest caliber. I have dealt personally with him regarding highly sensitive County financial matters as well as with business matters when he was a Banker. His dealings have always been fair and done in a highly professional manner. He is one of the most competent and reliable person that I can always count on whenever I seek government or financial matters that require expertise in a specific area. We have known each other for over twenty-five years, and it makes me proud to testify on his behalf for a committee that has been nominated by our Honorable Governor. Only the strong and only those with the highest integrity are survivors in these challenging times, so he would serve all of Hawaii very well on this commission. I highly recommend that your approve Michael Okumoto for this very prestigious position.

Thank you for the opportunity to submit testimony.

Warmest Aloha,

Marcella Stroh
Central Pacific Bank (Hawaii Island)
Senior Vice President & Sr. Commercial Manager

hee2 - Kathleen

From: Martyn, Tobias [martynt@stifel.com]
Sent: Monday, April 08, 2013 10:48 AM
To: JDCTestimony
Cc: Sen. Clayton Hee; Sen. Maile Shimabukuro
Subject: Testimony in Support of Michael Okumoto for Trustee on the State Deferred Compensation Board

Hon. Senator Clayton Hee, Chair and Hon. Senator Maile S.L. Shimabukuro, Vice Chair, Committee on Judiciary and Labor

Testimony in Support of Michael Okumoto (Mike), for Trustee on the State Deferred Compensation Board

Dear Senator Hee and Senator Shimabukuro:

I have had the great pleasure of working with Mike for the past 15 years. He is a professional who has years of experience, in both the public and the private sectors. His knowledge and deep understanding of finance and investments will serve him well as a Trustee of the State Deferred Compensation Board.

Very truly yours,

Toby Martyn
V.P./Investments
Stifel Nicolaus
1099 Alakea St. Suite 1510
Honolulu, HI 96813

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April 8, 2013

Honorable Senator Clayton Hee, Chair
Committee on Judiciary and Labor
Hawaii State Capitol
Honolulu, HI 96813

Re: GM 568—Michael Okumoto—April 10, 2013 Room 016, 10:00am

Dear Senator Hee and Members of the Committee:

I am writing in strong support of the confirmation of Michael (Mike) Okumoto as Trustee to the State Deferred Compensation Board.

Mike is my classmate, and I have known him since our days at Hilo Intermediate School all the way through Hilo High School. Subsequently, we had the opportunity to work together at Bank of Hawaii for several years, and have interacted with him in his role as the County Treasurer of the County of Hawaii. Throughout the years, I have known Mike to be very intelligent, hard working and of high integrity.

Having the experience of serving on this board, Mike can share his insights and knowledge with the other Trustees and I am confident he will continue to do an excellent job.

I humbly ask for your support in the confirmation of Michael Okumoto.

Sincerely,

Art Taniguchi
1332 Launa Street
Hilo, HI 96720

Brian T. Hirai
957 Kealaolu Avenue
Honolulu, Hawaii 96816

April 8, 2013

The Honorable Clayton Hee
Chair, Senate Committee on Judiciary and Labor
Hawaii State Capitol
415 S. Beretania St.
Honolulu, HI 96813

Re: Confirmation of Michael Okumoto
as Deferred Compensation Plan Trustee

Dear Senator Hee and Members of the Committee:

I am writing to express my strong support for the nomination of Michael Okumoto as a member of the Board of Trustees of the Deferred Compensation Plan.

As a partner in the Honolulu law firm of McCorriston Miller Mukai MacKinnon LLP, I have worked closely with Mr. Okumoto, in his capacity as Treasurer of the County of Hawaii, in connection with numerous county finance transactions over the past 12 years. I hold Mr. Okumoto in the highest regard and have found him to be extremely hardworking and highly competent in finance matters. I have also come to regard him as a person of strong principles and great integrity. I believe that Mr. Okumoto would be a great asset as a Trustee and respectfully request that this Committee support his nomination.

Thank you for permitting me to present my views regarding this nomination.

Very truly yours,


Brian T. Hirai

April 8, 2013

Senator Clayton Hee
Chair, Committee on Judiciary and Labor
Hawaii State Senate
415 South Beretania Street, Room 016
Honolulu, HI 96813

Dear Senator Hee:

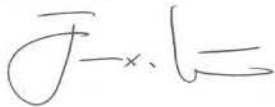
I am writing in support Mr. Michael Okumoto to serve another term on the Board of Trustees of the Deferred Compensation Plan for the State of Hawaii. I have known Mr. Okumoto for many years and have worked closely with him on a number of financing projects for the County of Hawaii. I have been a public finance banker for over 25 years working at Bank of America Merrill Lynch and UBS.

Mr. Okumoto is a dedicated public servant who has guided the County prudently as its Treasurer. He is well respected in the financial community both in Hawaii and nationally. Mr. Okumoto consistently demonstrates a broad knowledge of both County finances and operations. Impressively, he is able to see the big picture while still being a master of the details. Through his considerable efforts, the County was able to maintain its strong bond ratings in the face of the global financial crisis. During this period, the County sold three bond issues successfully – with Mr. Okumoto at the helm. His efforts included assembling detailed financial presentations for the credit rating agencies and bond investors as well as coordinating the efforts of a large finance team of bankers and attorneys. Mr. Okumoto also is very innovative and continually seeks more efficient and cost effective options for the County. For instance, he is one of only two financial managers in the State to use an interim financing mechanism for capital projects, thereby saving the County both in interest cost and negative carry.

In terms of his treasury role, Mr. Okumoto has been an exceptional steward of the County's funds. He is conservative, yet also knows how to take appropriate risk to achieve strong results. His investment skills have been proven many times. As an example, Mr. Okumoto avoided investing in auction rate securities – unlike many jurisdictions nationally. Consequently, the County had sufficient liquidity even during the depths of the national recession.

I am confident that Mr. Okumoto, if reconfirmed, will continue to serve the State and its Deferred Compensation Plan with distinction. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank X. Lauterbur". The signature is stylized with a large initial "F" and a long horizontal stroke at the end.

Frank X. Lauterbur

April 8, 2013

Honorable Senator Clayton Hee, Chair
Committee on Judiciary and Labor
Hawaii State Capitol
Honolulu, HI 96813

Re: GM 568—Michael Okumoto—April 10, 2013 Room 016, 10:00am

Dear Senator Hee and Members of the Committee:

I am writing in strong support of the confirmation of Michael (Mike) Okumoto as Trustee to the State Deferred Compensation Board.

I have known Mike since 1997 when we worked together at Bank of Hawaii for several years. I continued interacting with him in his role as the County Treasurer of the County of Hawaii. Throughout the years, Mike has been diligent, very thoughtful and intelligent about his decision-making, hard working and of high integrity.

Having the experience of serving on this board in a temporary capacity, Mike can continue to share his insights and knowledge with the other Trustees on the Board. I am confident Mike will continue to do an excellent job in this position.

I humbly ask for your support in the confirmation of Michael Okumoto.

Sincerely,

A handwritten signature in cursive script that reads "Roberta Chu".

Roberta F. Chu
478 Kipuni Street
Hilo, HI 96720

April 9, 2013

Honorable Clayton Hee
Chair, Committee on Judiciary and Labor

Dear Senator Hee:

My name is Arthur Miho and I am writing to you in support of Michael Okumoto's confirmation as Trustee for the State's Deferred Compensation Board. Mike is a consummate public servant who serves our County with pride, honor, and dedication.

As a manager for one of Hawaii Island's largest financial institution, I have the privilege working with Mike in his capacity as Treasurer for the County of Hawaii since 2005. We collaborated on many finance and investment related projects, which included cash management, bond underwriting, and bond public issuance. Mike exhibited all attributes required to uphold the public's trust and integrity in our financial system.

Thank you for allowing me to write in support of such an outstanding individual. I am confident that Mike will do an exemplary job as Trustee for the State's Deferred Compensation Board.

Best Regards,

Arthur Miho
700 Hueu Place
Hilo, Hawaii 96720