

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2813

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2813 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to allow the Employees' Retirement System to retain or dispose of real estate that it acquires by foreclosure, in enforcement of security, or in satisfaction of debts in the same manner as its other investments in interest in real property.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that, under current law, the Board of Trustees of the Employees' Retirement System is required to sell all real estate, other than leasehold interests, that is acquired by foreclosure, in enforcement of security, or in satisfaction of debts within five years after acquisition unless extended by the Governor. With regard to leasehold interests acquired by foreclosure, in enforcement of security, or in satisfaction of debts, the Board is required to sell those interests within one year after acquisition unless extended by the Governor. Your Committee also finds that there are no similar requirements imposed on the Employees' Retirement System's other real estate investments. Your Committee believes that this measure will enable the Board to make long-term plans for affected properties



that are necessary for the prudent management of the Employees' Retirement System's real estate portfolio.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2813 and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2813	JDL, WAM	2-25-14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.				✓
THIELEN, Laura H.	✓			
TOKUDA, Jill N.				✓
SLOM, Sam	✓			
	9	0	0	4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes