

Honolulu, Hawaii

February 17, 2016

RE: H.B. No. 2124
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2124 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Board of Trustees of the Employees' Retirement System (Board) to appoint investment professionals and investment support staff;
- (2) Exempt appointed investment officers and investment professionals, including investment specialists, from civil service and collective bargaining laws;
- (3) Provide the Board with discretion to exempt any appointed investment support staff from civil service law and collective bargaining laws; provided that the exemptions do not include exemptions from section 76-16(b)(17), Hawaii Revised Statutes; and
- (4) Authorize incumbent investment specialists, as of the effective date of this measure, the option to remain subject to civil service law, so long as the person remains an investment specialist.



The Employees' Retirement System testified in support of this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in opposition.

Your Committee has amended this measure by:

- (1) Deleting the provision giving the Board discretionary authority to exempt appointed investment support staff from civil service and collective bargaining laws; and
- (2) Changing its effective date to July 1, 2091, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2124, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2124, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



MARK M. NAKASHIMA, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 360-16

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB2124	Committee Referral: LAB, FIN	Date: 2/5/16		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. KEOHOKALOLE, Jarrett (VC)	/			
3. AQUINO, Henry J.C.				/
4. HAR, Sharon E.	/			
5. ICHIYAMA, Linda	/			
6. JOHANSON, Aaron Ling	/			
7. LoPRESTI, Matthew S.	/			
8. SAN BUENAVENTURA, Joy A.	/			
9. TAKUMI, Roy M.	/			
10. YAMASHITA, Kyle T.	/			
11. TUPOLA, Andria P.L.				/
TOTAL (11)	9			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
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