

Honolulu, Hawaii

March 29, 2016

RE: H.R. No. 120
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.R. No. 120 entitled:

"HOUSE RESOLUTION URGING THE EMPLOYEES' RETIREMENT SYSTEM AND EMPLOYER-UNION HEALTH BENEFITS TRUST FUND TO DIVEST FROM FOSSIL FUEL INVESTMENTS,"

begs leave to report as follows:

The purpose of this measure is to urge the Employees' Retirement System (ERS) and Employer-Union Health Benefits Trust Fund to divest all holdings in companies and stocks with a majority interest in fossil fuels no later than the year 2021.

The University of Hawaii Professional Assembly testified in support of this measure. The ERS Board of Trustees; Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund, Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, and one individual testified in opposition.

Your Committee has amended this measure by:

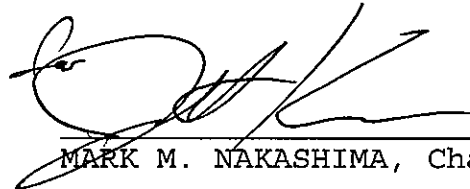
- (1) Urging the ERS Board of Trustees, working in conjunction with a reputable firm of investment consultants, to submit a report to the Legislature assessing the impact on the ERS portfolio of fossil fuel investments rather than urging the ERS and Employer-Union Health Benefits Trust Fund to divest all holdings in companies and stocks with a majority interest in fossil fuels; and



- (2) Changing its title to read: "URGING THE EMPLOYEES' RETIREMENT SYSTEM TO WORK IN CONJUNCTION WITH A REPUTABLE FIRM OF INVESTMENT CONSULTANTS TO SUBMIT A REPORT ASSESSING THE IMPACT ON THE EMPLOYEES' RETIREMENT SYSTEM'S PORTFOLIO OF FOSSIL FUEL INVESTMENTS TO THE LEGISLATURE."

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 concurs with the intent and purpose of H.R. No. 120, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.R. No. 120, H.D. 1.

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


MARK M. NAKASHIMA, Chair



