

TESTIMONY BY KANOE MARGOL
INTERIM EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII

TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR
ON
SENATE BILL 133

JANUARY 27, 2015, 9:00 A.M.

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

Chair Keith-Agaran, Vice Chair Shimabukuro and Members of the
Committee:

S.B. 133 allows the court to decree a forfeiture of retirement
benefits by the member, former member, or retirant of the
Employees' Retirement System (ERS) convicted of a felony that
the court finds is related to the employment of the member,
former member, or retirant by the State or county.

To ensure that the forfeiture will not violate the
constitutional protections under article XVI, section 2, of the
Hawaii State Constitution which states that the accrued benefits
of ERS members shall not be diminished or impaired, S.B. 133,
expressly protects benefits that accrued prior to the effective
date of the act. S.B. 133 also protects benefits to
beneficiaries of the member, former member or retirant of the
ERS.

If it be the pleasure of this committee, the ERS would like to
suggest several clarifications to strengthen the proposal's
effectiveness and facilitate its application.

The Board of Trustees of the ERS strongly supports intent of
this proposal.

Thank you for the opportunity to provide testimony on this
important legislation.