

MINUTES OF THE MEETING OF THE  
LEGISLATIVE COMMITTEE OF THE  
BOARD OF TRUSTEES OF THE  
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

FEBRUARY 6, 2020

CITY FINANCIAL TOWER  
201 MERCHANT STREET, SUITE 1400  
HONOLULU, HAWAII 96813

Trustees present: Dr. Catherine Chan  
Mr. Craig Hirai  
Mr. Emmit Kane

Trustee absent: Mr. Wesley Machida

Staff present: Mr. Thomas Williams, Executive Director  
Ms. Kanoë Margol, Deputy Executive Director  
Ms. Elizabeth Burton, Chief Investment Officer  
Ms. Donna Curry, Program Specialist  
Mr. Bart Asato, Program Specialist  
Ms. Lori Kim, Secretary

Attorneys present: Mr. Ivan Torigoe, Deputy Attorney General  
Ms. Elmira Tsang, Deputy Attorney General

QUORUM/CALL TO ORDER

A quorum being present (Trustees Chan, Hirai, and Kane), Executive Director Thomas Williams called the meeting of the newly formed Legislative Committee (Committee) of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 1:45 p.m.

For the record, this Committee was previously the Administrative and Legislative Committee.

PUBLIC COMMENT

Executive Director Williams called for public comment. There were no members of the public present, therefore no public comment.

SELECT LEGISLATIVE  
COMMITTEE CHAIR AND  
VICE CHAIR

Trustee Kane nominated Trustee Chan as Chair and Trustee Machida as Vice Chair.

On a motion made by Trustee Kane, seconded by Trustee Hirai, and unanimously carried, Trustee Chan was voted Chair of the Legislative Committee.

On a motion made by Chair Chan, seconded by Trustee Kane, and unanimously carried, Trustee Machida was voted Vice Chair of the Legislative Committee.

POTENTIAL LEGISLATIVE PROPOSALS RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM FOR THE 2020 LEGISLATIVE SESSION FOR REVIEW AND RECOMMENDATION TO THE BOARD OF TRUSTEES

Program Specialist Donna Curry, presented to the Committee the following ERS and ERS-related Potential 2020 Legislative Proposals.

BILL NO.	TITLE	RECOMMENDATION
<a href="#"><u>HB1709</u></a>	Relating to the employees' retirement system.	Comments: Limit from 5 years to 3 years with 2 1-year extensions on penalty
<a href="#"><u>HB1998</u></a>	Relating to the employees' retirement system.	Monitor
<a href="#"><u>HB2251</u></a>	Relating to retirement savings.	Monitor
<a href="#"><u>HB2310</u></a>	Relating to the Hawaii employer-union health benefits trust fund employee-beneficiary monthly contributions.	Comments – Review ERS expenses and resources
<a href="#"><u>HB2311</u></a>	Relating to compensation for the purposes of the employees' retirement system.	Support
<a href="#"><u>HB2312</u></a>	Relating to qualified domestic relations orders.	Support
<a href="#"><u>HB2313</u></a>	Relating to employees' retirement system investments.	Support
<a href="#"><u>HB2314</u></a>	Relating to employees' retirement system disability retirement.	Support
<a href="#"><u>HB2381</u></a>	Relating to the employees' retirement system.	Monitor
<a href="#"><u>HB2399</u></a>	Relating to the management of state funds.	Oppose inclusion of ERS CIO for tax-qualification
<a href="#"><u>HB2405</u></a>	Relating to socially responsible investing.	Oppose
<a href="#"><u>HB2485</u></a>	Relating to Hawaii national guard retirement benefits.	Oppose due to membership for non-ERS eligible personnel
<a href="#"><u>HB2634</u></a>	Relating to the employees' retirement system.	Oppose due to benefit enhancement
<a href="#"><u>HB2669</u></a>	Relating to active duty military entitlements.	Oppose Section 2 of bill as ERS already provides "Servicemen's Act" benefits under 88-132
<a href="#"><u>HB2727</u></a>	Relating to pension and retirement systems.	Oppose due to benefit enhancement

<a href="#">HB2747</a>	Proposing an amendment to Article XVI, section 2, of the Hawaii state constitution, to authorize the legislature to require the forfeiture or reduction of pension benefits of a member, former member, or retirant of the employees' retirement system who is convicted of a felony related to the member's, former member's, or retirant's employment with the state or any political subdivision thereof.	Monitor
<a href="#">HB2748</a>	Relating to government.	Monitor
<a href="#">SB2142</a>	Relating to the employees' retirement system.	Comments: Limit from 5 years to 3 years with 2 1-year extensions on penalty
<a href="#">SB2252</a>	Relating to the employees' retirement system.	Oppose due to possible increase to ERS Unfunded Liability
<a href="#">SB2489</a>	Relating to the Hawaii Retirement Savings Program.	Monitor
<a href="#">SB2490</a>	Relating to the Hawaii Retirement Savings Program.	Monitor
<a href="#">SB2666</a>	Relating to active duty military entitlements.	Oppose Section 2 of bill as ERS already provides "Servicemen's Act" benefits under 88-132
<a href="#">SB2675</a>	Relating to the employees' retirement system.	Monitor
<a href="#">SB2866</a>	Relating to the Hawaii employer-union health benefits trust fund employee-beneficiary monthly contributions.	Comments
<a href="#">SB2867</a>	Relating to compensation for the purposes of the employees' retirement system.	Support
<a href="#">SB2868</a>	Relating to qualified domestic relations orders.	Support
<a href="#">SB2869</a>	Relating to employees' retirement system investments.	Support
<a href="#">SB2870</a>	Relating to employees' retirement system disability retirement.	Support

<a href="#"><u>SB3030</u></a>	Proposing an amendment to article vi, section 3 of the Hawaii state constitution to increase the mandatory retirement age for justices and judges.	Monitor
<a href="#"><u>SB3085</u></a>	Relating to socially responsible investing.	Oppose
<a href="#"><u>SB3146</u></a>	Relating to the employees' retirement system.	Oppose due to benefit enhancement

After discussion, on a motion made by Trustee Kane, seconded by Chair Chan, and unanimously carried, the recommendations adopted by the Committee on the bills presented will be recommended to the ERS Board for their approval at its next meeting in February.

APPROVAL OF MINUTES  
- AUGUST 21, 2019

On a motion made by Trustee Kane, seconded by Chair Chan, and unanimously carried, the Committee approved the public minutes of the August 21, 2019, meeting as presented.

ADJOURNMENT

On a motion made by Trustee Kane, seconded by Trustee Hirai, Chair Chan adjourned the meeting at 2:34 p.m.

**REDACTED SIGNATURE**

Thomas Williams  
Executive Director

TW:ltk