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## RESOLUTION

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APPROVING FOR INCLUSION IN THE 2013 HAWAII STATE ASSOCIATION OF COUNTIES ("HSAC") LEGISLATIVE PACKAGE A PROPOSAL THAT PROVIDES THE COUNTIES WITH REPRESENTATION ON THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE.

WHEREAS, the counties of Honolulu, Kauai, Maui and Hawaii ("counties") contribute a considerable share to the employees' retirement system of the State and their employees and retirees are a significant portion of the system's membership; and

WHEREAS, currently, the counties do not have any representation on the board of trustees of the employees' retirement system of the State; and

WHEREAS, lack of representation may result in a situation where board members do not fully consider the costs of the actions on the counties, resulting in changes that may not be cost beneficial in the aggregate or may affect the income of county employees and retirees; and

WHEREAS, county representation will ensure that the board possess expertise about county finances and the county workforce in making benefit decisions; and

WHEREAS, it is in the best interest of the counties to have representation on the board of trustees of the employees' retirement system of the State; and

WHEREAS, the unanimous approval of the county councils is necessary for inclusion of a proposal in the HSAC legislative package; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve for inclusion in the 2013 HSAC legislative package a proposal, attached as Exhibit A, that would provide county representation on the board of trustees of the employees' retirement system of the State; and



RESOLUTION

BE IT FINALLY RESOLVED that a copy of this Resolution be transmitted to the President of the Hawaii State Association of Counties and the Mayors of the counties of Kauai, Hawaii, Honolulu and Maui.

INTRODUCED BY:

*[Handwritten Signature]*

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Councilmembers

2012 JUL 18 PM 3:23  
CITY OF HONOLULU  
REGISTRATION

DATE OF INTRODUCTION:

JUL 18 2012

Honolulu, Hawaii

## **EXHIBIT A**

\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the counties need  
2 county representation on the board of trustees of the employees'  
3 retirement system of the State. The counties contribute a  
4 considerable share to retirement system costs, and their  
5 employees and retirees are a significant portion of the system's  
6 membership. County representation will ensure that the board  
7 possesses expertise about county finances and the county  
8 workforce in making benefit decisions. Lack of representation  
9 may result in a situation where board members do not fully  
10 consider the costs of their actions on the counties, resulting  
11 in changes that may not be cost beneficial in the aggregate or  
12 may affect the retirement income of county employees and  
13 retirees.

14           The purpose of this Act is to include county representation  
15 on the membership of the board of trustees of the employees'  
16 retirement system.

.B. NO.       

1           SECTION 2. Section 88-24, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§88-24 Composition of board.** The board of trustees shall  
4 consist of [~~eight~~] ten members as follows:

5           (1) The director of finance of the State, ex officio;

6           (2) [~~Four~~] Five members of the system, [~~two~~] three of whom  
7 shall be general employees, one of whom shall be a  
8 teacher, and one of whom shall be a retirant to be  
9 elected by the members and retirants of the system  
10 under rules adopted by the board governing the  
11 election to serve for terms of six years each, one of  
12 the terms to expire on January 1 of each even-numbered  
13 year; provided that, if after the close of filing of  
14 petitions for candidacy, a member is unopposed for  
15 election to a trustee position, the member shall be  
16 deemed and declared to be duly and legally elected to  
17 the position of trustee without an election; and

18           (3) Three citizens of the State who are not employees, two  
19 of whom have at least three years of experience  
20 providing financial services, including investments,  
21 to public, corporate, or private institutional  
22 clients, to be appointed by the governor, with the

.B. NO.     

1           advice and consent of the senate, to serve for a term  
2           of six years each, one of the terms to expire  
3           January 1 of each odd-numbered year~~[.]~~; and

4       (4) One member appointed by unanimous agreement of the  
5       mayors of each of the four counties and approved by  
6       the Hawaii State Association of Counties, subject to  
7       the advice and consent of the senate in the same  
8       manner as trustees appointed by the governor, to serve  
9       for a term of six years, with each term to expire on  
10       January 1 of an odd-numbered year. The counties shall  
11       be responsible for all necessary expenses, including  
12       travel, board, and lodging expenses, and any other  
13       costs, incurred in the performance of the member's  
14       duties.

15       Each trustee shall serve until the trustee's successor is  
16       elected or appointed, as the case may be, and qualified. For  
17       the purpose of this section, the term "general employees"  
18       includes police officers and firefighters."

19       SECTION 3. Statutory material to be repealed is bracketed  
20       and stricken. New statutory material is underscored.

\_\_\_\_.B. NO. \_\_\_\_

1 SECTION 4. This Act shall take effect on July 1, 2030.

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INTRODUCED BY: \_\_\_\_\_

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
C E R T I F I C A T E

**RESOLUTION 12-186**

Introduced: 07/18/12 By: STANLEY CHANG

Committee: EXECUTIVE MATTERS  
AND LEGAL AFFAIRS

Title: RESOLUTION APPROVING FOR INCLUSION IN THE 2013 HAWAII STATE ASSOCIATION OF COUNTIES ("HSAC") LEGISLATIVE PACKAGE A PROPOSAL THAT PROVIDES THE COUNTIES WITH REPRESENTATION ON THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE.

Links: [RES12-186](#)  
[CR-252](#)

Voting Legend: Y= Aye, Y\* = Aye w/Reservations, N = No, A = Absent, ABN = Abstain

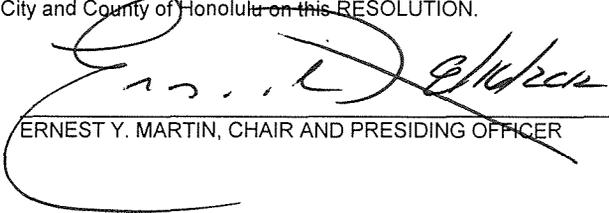
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EXECUTIVE MATTERS AND LEGAL AFFAIRS	07/24/12	CR-252 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.							
COUNCIL	08/15/12	CR-252 AND RESOLUTION 12-186 WERE ADOPTED.							
ANDERSON	A	BERG	Y	CACHOLA	Y	CHANG	Y	GABBARD	Y
GARCIA	Y	HARIMOTO	Y	KOBAYASHI	Y	MARTIN	Y		

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I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
BERNICE K. N. MAU, CITY CLERK

  
ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER