
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. Section 88-90, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§88-90 Post retirement allowances. (a) There shall be
4 payable to each person receiving any pension, annuity, or
5 retirement allowance, a post retirement allowance [~~which~~] that
6 shall consist of an amount equivalent to one and one-half per
7 cent of the monthly pension, annuity, or retirement allowance as
8 originally computed, approved and paid. This benefit shall be
9 added to the monthly pension, annuity, or retirement allowance
10 on the first day of July in each year following June 30, 1961,
11 as follows:

12 (1) To each person receiving a pension, annuity, or
13 retirement allowance on June 30, 1961, payment of the
14 benefit shall commence on July 1, 1961, except that
15 after June 30, 1963, the monthly benefits payable
16 under this subsection shall be computed and paid on
17 the basis of the number of years that has elapsed
18 since the person entitled thereto first became the



1 recipient of the pension, annuity, or retirement
2 allowance from which the benefit is derived.

3 (2) To each person first receiving a pension, annuity, or
4 retirement allowance after June 30, 1961, payment of
5 the benefit shall commence on the first of July
6 following the calendar year in which the payment of
7 the pension, annuity, or retirement allowance is
8 effective.

9 (b) After June 30, 1970, the post retirement allowance
10 shall consist of an amount equivalent to two and one-half per
11 cent of the monthly pension, annuity, or retirement allowance as
12 originally computed and paid. This benefit shall be payable on
13 the first day of July in each year following June 30, 1970, as
14 follows:

15 (1) To each person, who on June 30, 1970, was receiving a
16 post retirement allowance as described under
17 subsection (a) hereof, payment of the benefit shall
18 commence on July 1, 1970.

19 (2) To each person first receiving a pension, annuity, or
20 retirement allowance after December 31, 1968, payment
21 of the benefit shall commence on the first day of July
22 following the calendar year in which the payment of

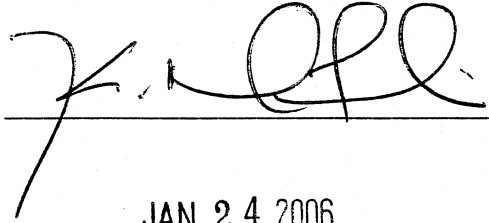
1 the pension, annuity, or retirement allowance is
 2 effective.

3 (c) After June 30, 2006, the post retirement allowance as
 4 described under subsection (b) shall be augmented at specified
 5 intervals by an amount equivalent to ten per cent simple
 6 interest of the monthly pension, annuity, or retirement
 7 allowance previously computed and paid. This benefit shall be
 8 added to the monthly pension, annuity, or retirement allowance
 9 on the first day of July following June 30, 2006, on the eighth,
 10 fifteenth, twenty-second, and twenty-ninth years following a
 11 person's retirement."

12 SECTION 2. Statutory material to be repealed is bracketed
 13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 2006.

15

INTRODUCED BY: 

JAN 24 2006

HB 2547

Report Title:

ERS; post-retirement allowance

Description:

Augments the post retirement allowance by a simple interest increase at specified intervals following retirement.

