
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 88-75, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§88-75 Ordinary disability retirement.** (a) Upon
4 application of a member in service or on leave without pay, or
5 the person appointed by the family court as guardian of an
6 incapacitated member, any member who has ten or more years of
7 credited service shall be retired by the board [~~of trustees~~] on
8 an ordinary disability retirement allowance if the medical board
9 after a medical examination of the member certifies that:

10 (1) The member is mentally or physically incapacitated for
11 the further performance of duty at the time of
12 application;

13 (2) The incapacity is likely to be permanent; and

14 (3) The member should be retired.

15 (b) Upon approval by the board, the member shall be
16 eligible to receive an ordinary disability retirement benefit no
17 earlier than thirty days from the date the application was filed
18 or the date the member terminated service, whichever is later.



1 Retirement shall be no later than one hundred fifty days after
2 the date of the notice informing the member of the board's
3 approval of the member's application for ordinary disability
4 retirement. If the member fails to retire within one hundred
5 fifty days after the mailing of the notice of the board's
6 approval of the member's application for ordinary disability
7 retirement, the application shall be deemed canceled.
8 Retirement shall become effective on the first day of a month,
9 except for the month of December when retirement on the first or
10 last day of the month shall be allowed.

11 (c) Notwithstanding subsection (b), if a member, who has
12 previously submitted two separate applications for ordinary
13 disability retirement that are canceled by the member or that
14 are deemed canceled pursuant to subsection (b) because the
15 member has failed to retire within one hundred fifty days after
16 the mailing of the notice of the board's approval of the
17 member's application, submits an application for ordinary
18 disability retirement:

- 19 (1) The member may not cancel the application; and
20 (2) If the application is approved by the board, the
21 member shall be retired no later than one hundred
22 fifty days after the mailing of the notice of the



1 board's approval of the application; provided that any
2 application submitted by a member pursuant to this
3 section that is disapproved by the board shall not be
4 included in the calculation of canceled applications."

5 SECTION 2. Section 88-284, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "**§88-284 Ordinary disability retirement.** (a) Upon
8 application of a member in service or on leave without pay, or
9 the person appointed by the family court as guardian of an
10 incapacitated member, any member who has ten or more years of
11 credited service shall be retired by the board [~~of trustees~~] on
12 an ordinary disability retirement allowance if the medical
13 board, after a medical examination of the member, certifies
14 that:

15 (1) The member is mentally or physically incapacitated for
16 the further performance of duty at the time of
17 application;

18 (2) The incapacity is likely to be permanent; and

19 (3) The member should be retired.

20 (b) Upon approval by the board, the member shall receive
21 an ordinary disability retirement benefit no earlier than thirty
22 days from the date the application was filed or the date the



1 member terminated service, whichever is later. Retirement shall
2 be no later than one hundred fifty days after the date of the
3 notice informing the member of the board's approval of the
4 member's application for ordinary disability retirement. If the
5 member fails to retire within one hundred fifty days after the
6 mailing of the notice of the board's approval of the member's
7 application for ordinary disability retirement, the application
8 shall be deemed canceled. Retirement shall become effective on
9 the first day of a month, except for the month of December when
10 retirement on the first or last day of the month shall be
11 allowed.

12 (c) Notwithstanding subsection (b), if a member, who has
13 previously submitted two separate applications for ordinary
14 disability retirement that are canceled by the member or that
15 are deemed canceled pursuant to subsection (b) because the
16 member has failed to retire within one hundred fifty days after
17 the mailing of the notice of the board's approval of the
18 member's application, submits an application for ordinary
19 disability retirement:

- 20 (1) The member may not cancel the application; and
21 (2) If the application is approved by the board, the
22 member shall be retired no later than one hundred



1 fifty days after the mailing of the notice of the
 2 board's approval of the application; provided that any
 3 application submitted by a member pursuant to this
 4 section that is disapproved by the board shall not be
 5 included in the calculation of canceled applications.

6 ~~(e)~~ (d) A member who is determined to be permanently
 7 incapacitated for the further performance of duty pursuant to
 8 subsection (a) and eligible to receive an ordinary disability
 9 retirement allowance shall receive a maximum retirement
 10 allowance of one and one-fourth per cent of the average final
 11 compensation multiplied by the number of years of credited
 12 service unreduced for age."

13 SECTION 3. Section 88-334, Hawaii Revised Statutes, is
 14 amended to read as follows:

15 ~~§88-334~~ **Ordinary disability retirement.** (a) Upon
 16 application of a class H member in service or on leave without
 17 pay, or the person appointed by the family court as guardian of
 18 an incapacitated member, any member who has ten or more years of
 19 credited service shall be retired by the board on an ordinary
 20 disability retirement allowance if the medical board, after a
 21 medical examination of the member, certifies that:



1 (1) The member is mentally or physically incapacitated for
2 the further performance of duty at the time of
3 application;

4 (2) The incapacity is likely to be permanent; and

5 (3) The member should be retired.

6 (b) Upon approval by the board, the member shall receive
7 an ordinary disability retirement benefit no earlier than thirty
8 days from the date the application was filed or the date the
9 member terminated service, whichever is later. Retirement shall
10 be no later than one hundred fifty days after the date of the
11 notice informing the member of the board's approval of the
12 member's application for ordinary disability retirement. If the
13 member fails to retire within one hundred fifty days after the
14 mailing of the notice of the board's approval of the member's
15 application for ordinary disability retirement, the application
16 shall be deemed canceled. Retirement shall become effective on
17 the first day of a month, except for the month of December when
18 retirement on the first or last day of the month shall be
19 allowed.

20 (c) Notwithstanding subsection (b), if a member, who has
21 previously submitted two separate applications for ordinary
22 disability retirement that are canceled by the member or that



1 are deemed canceled pursuant to subsection (b) because the
2 member has failed to retire within one hundred fifty days after
3 the mailing of the notice of the board's approval of the
4 member's application, submits an application for ordinary
5 disability retirement:

- 6 (1) The member may not cancel the application; and
- 7 (2) If the application is approved by the board, the
8 member shall be retired no later than one hundred
9 fifty days after the mailing of the notice of the
10 board's approval of the application; provided that any
11 application submitted by a member pursuant to this
12 section that is disapproved by the board shall not be
13 included in the calculation of canceled applications."

14 SECTION 4. This Act shall apply to any application for
15 ordinary disability retirement filed after its effective date.

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

ERS; Ordinary Disability Retirement

Description:

Extends from 90 to 150 days the retirement deadline for a member of the ERS who qualifies for ordinary disability to continue working. Allows the member to file up to 3 ordinary disability retirement applications. (SD2)

