

JAN 25 2006

S.B. NO. 2012

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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. Section 88-90, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:  
3           "(b) After June 30, [~~1970~~] 2006, the post retirement  
4 allowance shall consist of an amount equivalent to [~~two and one-~~  
5 ~~half per cent~~] a percentage that is the equivalent of the  
6 percentage that the consumer price index for the Honolulu  
7 region, as prepared by the Bureau of Labor Statistics of the  
8 United States Department of Labor, increased over the previous  
9 calendar year of the monthly pension, annuity or retirement  
10 allowance as originally computed and paid. This benefit shall  
11 be payable on the first day of July in each year following  
12 June 30, [~~1970~~] 2006, as follows:

- 13           (1) To each person, who on June 30, [~~1970~~] 2006, was  
14           receiving a post retirement allowance as described  
15           under subsection (a) hereof, payment of the benefit  
16           shall commence on July 1, [~~1970~~] 2006; and  
17           (2) To each person first receiving a pension, annuity or  
18           retirement allowance after December 31, [~~1968~~] 2004,



1 payment of the benefit shall commence on the first day  
2 of July following the calendar year in which the  
3 payment of the pension, annuity or retirement  
4 allowance is effective.

5 If the consumer price index for the Honolulu region, as  
6 prepared by the Bureau of Labor Statistics of the United States  
7 Department of Labor, decreases in a given calendar year, the  
8 post retirement allowance provided under this section shall not  
9 be adversely affected."

10 SECTION 2. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Carol Fukunaga

**Report Title:**

Employees' Retirement System; Pension Benefits; Cost of Living

**Description:**

Ties cost of living increases provided to pensioners by the employees' retirement system to the consumer price index for the Honolulu area.

