
A BILL FOR AN ACT

RELATING TO THE REHIRING OF RETIREES.

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

1 SECTION 1. The legislature recognizes the changing
2 demographics of the workforce; that in fact, the workforce is
3 aging with an increasing number of state and county employees
4 becoming eligible to retire with full retirement benefits. The
5 legislature also recognizes that life spans have increased, not
6 only because of advances in medicine and technology, but because
7 people are choosing to live healthier lifestyles.

8 Ken Dychtwald, noted gerontologist, notes that older adults
9 are blessed with longer, healthier lives, and are looking for a
10 more fulfilling life (not the typical retirement) and wanting to
11 stay longer or enter back into the workforce. Dychtwald offers
12 that we are in an era where people will grow old slower, live
13 longer, and may never retire, or may retire three or more times
14 as they start new careers, go back to school, or even raise a
15 second or third family.

16 Myths associated with older workers have been found to be
17 just myths. Older workers do not get into more on-the-job
18 accidents than other workers, they do not have higher rates of



1 absenteeism, and their job performance does not decrease with
2 age.

3 The legislature understands that with the low unemployment
4 the State is now experiencing, state and county governments have
5 more vacancies occurring with a dwindling number of qualified
6 applicants. They, especially the State, have many jobs
7 categorized as hard-to-fill, or as being in a labor-shortage
8 category.

9 While retired state and county employees are now permitted
10 to work for temporary periods of eighty-nine consecutive days or
11 for less than twenty hours per week without jeopardizing their
12 retirement benefits, there is no reason not to afford the state
13 and county governments the ability to hire retired state and
14 county government employees on a full-time basis, considering
15 too that if they do not work for government, they will instead,
16 work for the private sector. This Act will allow the state and
17 county employers to recruit from the same group of qualified
18 applicants as do private employers and give the government
19 employers equal footing with the private sector employer in
20 employing state and county retirees.

21 The legislature believes this Act will strike a balance
22 between the state and county government's need to hire skilled



1 and qualified employees and retired state and county government
2 employees' desire to continue to work for state or county
3 government. This Act will allow retired state and county
4 government employees to again work for the state or county
5 governments without incurring any negative retirement
6 consequences, such as the forfeiture of retirement benefits
7 already earned and being collected by employees.

8 SECTION 2. Chapter 88, Hawaii Revised Statutes, is amended
9 by adding a new section to be appropriately designated and to
10 read as follows:

11 "§88- Re-employment of state and county retirees. (a)
12 Appointing authorities in the state and county government's
13 executive branches may employ retired state and county
14 government employees who are receiving employees' retirement
15 system benefits. Newly hired retirees for civil service
16 positions, shall be recruited and selected under normal civil
17 service procedures. The director of human resources
18 development, for employees hired by the State, or the respective
19 chief human resources management executive for the county, for
20 employees hired by a county, shall certify the hiring of the
21 retiree as having been done pursuant to civil service laws.



1 (b) Notwithstanding any section of this chapter or statute
 2 to the contrary, retired state and county government employees
 3 who are hired by the State or any of the counties shall not earn
 4 retirement service credit, contribute to the retirement system,
 5 or gain additional retirement system benefits as a result of
 6 their subsequent employment with the State or a county and the
 7 employed retiree shall continue to receive the employee's
 8 entitled normal retirement benefits without penalty.

9 (c) This section shall not preclude a retiree from
 10 returning to work and relinquishing the employee's retirement
 11 benefits so that the employee may once again earn service
 12 credits and gain additional retirement benefits for a future
 13 retirement date as may be allowed by this chapter."

14 SECTION 3. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

Calvin K. Day

BY REQUEST

JAN 22 2007



Report Title:

Public Retirees

Description:

Authorizes the State and the counties to rehire governmental retirees under civil service procedures and without additional pension benefits.

