
A BILL FOR AN ACT

RELATING TO THE RE-EMPLOYMENT OF RETIREES.

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

1 SECTION 1. The purpose of this Act is to allow the state
2 and county governments to rehire retired employees as permanent
3 workers while shielding these retirees from any negative impact
4 on their normal retirement benefits.

5 As of September 30, 2006, an estimated ten per cent of
6 state public employees are eligible to retire and by fiscal year
7 2011 the figure is anticipated to rise to twenty-six per cent.
8 As the baby boomers begin to retire, vacancies in government
9 employment will continue to increase. It is estimated that by
10 the year 2011, one out of every four residents in our state will
11 be over sixty-five years old.

12 Based on these statistics, it is imperative that state and
13 county governments address this employment vacancy issue. It is
14 the intent of the legislature that this temporary measure be
15 enacted to allow the state and county governments to develop
16 plans to fill these employment vacancies.



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

4 "§88- Re-employment of state and county retirants. (a)

5 Appointing authorities in state and county governments may
6 employ a retired state or county public employee who is
7 receiving retirement benefits under this chapter, in a critical-
8 to-fill or labor shortage position, as designated by the human
9 resources director of the appropriate jurisdiction. Each
10 jurisdiction shall make employer contributions for the rehired
11 employee to the pension accumulation fund in accordance with
12 section 88-122(e). If the position is a civil service position,
13 then civil service procedures shall be followed in recruiting
14 and selecting any retirant for the position. To qualify for
15 full-time employment, the retirant shall have been retired from
16 a state or county public employee position for at least one
17 calendar year from the employee's date of retirement. The human
18 resources director of the appropriate jurisdiction shall certify
19 that the retiree was hired in accordance with applicable civil
20 service laws and this section.

21 (b) Sections 88-21, 88-42.5, 88-43, 88-45, 88-46, 88-98,
22 88-273, 88-326, and 88-344, and any other law to the contrary



1 notwithstanding, a retired state or county public employee who
2 is hired by the State or a county under this section:

3 (1) Shall not earn retirement service credit, contribute
4 to the system, or gain additional system benefits as a
5 result of the retirant's subsequent employment with
6 the State or a county;

7 (2) Shall continue to receive the employee's normal
8 retirement benefits and medical retirement benefits
9 without penalty; and

10 (3) Shall join the collective bargaining unit of any
11 included position.

12 (c) This section shall not preclude a retirant from
13 returning to work and relinquishing the employee's retirement
14 benefits to earn additional service credit and gain additional
15 retirement benefits for a future retirement date as may be
16 allowed by this chapter.

17 (d) For the purposes of this section:

18 "Jurisdiction" means the city and county of Honolulu, the
19 counties of Hawaii, Maui, and Kauai, the department of
20 education, the judiciary, the Hawaii health systems corporation,
21 the office of Hawaiian affairs, the state executive branch, and
22 the legislative branches of the state and county governments.



1 "State executive branch" means all the departments of the
2 executive branch of the state government except the University
3 of Hawaii, the Hawaii health systems corporation, and the
4 department of education."

5 SECTION 3. Each jurisdiction using the provisions of
6 section 2 of this Act shall report annually to the legislature
7 no later than twenty days prior to the convening of the
8 legislature on the number of positions filled pursuant to this
9 Act, which report shall include but not be limited to job title,
10 salary, and the length of time each retirant was hired and other
11 pertinent information.

12 SECTION 4. New statutory material is underscored.

13 SECTION 5. This Act shall take effect on July 1, 2040, and
14 shall be repealed on June 30, 2012.



Report Title:

State and County Retirees; Re-employment

Description:

Authorizes the rehiring of state or county employees to fill critical or difficult to fill labor shortage positions who have been retired for at least one calendar year without affecting the receipt of retirement benefits and without accruing additional credit or benefits. (SB1950 HD1)

