

---

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

4           "588-    Re-employment of retirants.   (a) Appointing  
5 authorities in a county or the State may employ retired state or  
6 county government employees who are receiving retirement  
7 benefits under this chapter.

8           (b) The director of human resources of the appropriate  
9 state jurisdiction or the human resources management chief  
10 executive of a county may employ retired state or county  
11 government employees who are receiving retirement benefits under  
12 this chapter to fill labor shortage and difficult-to-fill exempt  
13 or civil service positions.

14           (c) Retired state or county government employees shall be  
15 eligible for a position of at least one-half of a full-time  
16 equivalent with a state or county government after one calendar  
17 year of retirement.



1       (d) Re-employment agreements shall not be entered into  
2 between the State or county and an employee prior to the  
3 retirement of the employee.

4       (e) Retired state or county government employees rehired  
5 for civil service positions under this section shall be  
6 recruited, selected, and employed pursuant to applicable civil  
7 service and employment laws.

8       (f) The director of human resources of the appropriate  
9 state jurisdiction in which a retired state or county government  
10 employee is hired or the human resources management chief  
11 executive of the respective county in which a retired state or  
12 county government employee is hired by that county shall certify  
13 the hiring of the retirant as having been performed pursuant to  
14 applicable civil service and employment laws.

15       (g) Sections 88-21, 88-42.5, 88-43, 88-45, 88-46, 88-98,  
16 88-273, 88-326, and 88-344, chapter 89, and any other law to the  
17 contrary notwithstanding, retired state or county government  
18 employees who are hired by the State or any of the counties  
19 under this section shall not earn retirement service credit,  
20 contribute to the retirement system, or gain additional  
21 retirement system benefits as a result of their subsequent  
22 employment with the State or a county, and the retired state or



1 county government employee shall continue to receive the  
2 retirant's retirement benefits and health benefits without  
3 penalty. Each employer shall contribute to the pension  
4 accumulation fund the required percentage of the rehired  
5 employee's compensation to amortize the system's unfunded  
6 actuarial accrued liability.

7 (h) A retired state or county government employee who is  
8 hired by the State or county under this section shall join the  
9 appropriate bargaining unit if hired in a position covered by  
10 collective bargaining.

11 (i) This section shall not preclude a retired state or  
12 county government employee from returning to work and  
13 relinquishing the person's retirement benefits to earn  
14 additional service credits and gain additional retirement  
15 benefits for a future retirement date as may be allowed by this  
16 chapter.

17 (j) The director of human resources of the appropriate  
18 state jurisdiction or the human resources management chief  
19 executive of a county shall submit an annual report to the  
20 legislature detailing the employment of retirants, including the  
21 number and positions of retired employees hired under this



1 section no later than twenty days prior to the convening of each  
2 regular legislative session.

3 (k) For purposes of this section:

4 "Executive branch of the State" means all the departments  
5 of the executive branch of state government, except the  
6 University of Hawaii, the Hawaii health systems corporation, and  
7 the department of education.

8 "One calendar year" means twelve consecutive months from  
9 the date of the employee's retirement to the date of the  
10 employee's re-employment under this Act.

11 "State jurisdiction" means the department of education, the  
12 judiciary, the Hawaii health systems corporation, the office of  
13 Hawaiian affairs, the executive branch of the State or any of  
14 its political subdivisions, and the legislative branch of the  
15 State."

16 SECTION 2. Act 286, Session Laws of Hawaii 2006, is  
17 amended by amending section 2 to read as follows:

18 "SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
19 amended by adding a new section to part III to be appropriately  
20 designated and to read as follows:

21 **"§302A- Rehiring of retired teachers and administrators**  
22 **to fill certain positions; authorized.** (a) Beginning July 1,



1 2006, the department of education and charter schools may employ  
2 for positions up to one hundred per cent full-time equivalency:

3 (1) Retired teachers to teach in teacher shortage areas  
4 identified by the department of education and charter  
5 schools and to serve as mentors for new classroom  
6 teachers; and

7 (2) Retired administrators to teach or administer in  
8 teacher shortage areas identified by the department of  
9 education and charter schools and to serve as mentors  
10 for new classroom teachers,

11 with the prior approval of the superintendent of education or  
12 the local school board of each charter school and pursuant to  
13 collective bargaining agreements; provided that the department  
14 shall contribute [~~thirteen and three quarters per cent~~] the  
15 required percentage of the rehired employee's compensation to  
16 the pension accumulation fund[-] to amortize the employees'  
17 retirement system's unfunded actuarial accrued liability.

18 (b) Sections 88-21, 88-42.5, 88-43, 88-45, 88-46, 88-325,  
19 and 88-326, and any other law to the contrary notwithstanding, a  
20 teacher or administrator retired from the department of  
21 education or a charter school who is rehired under this section  
22 shall not earn retirement service credit, contribute to the



1 retirement system, or gain additional retirement system benefits  
2 as a result of the teacher or administrator's employment;  
3 provided that the retired teacher or administrator shall  
4 continue to be entitled to the teacher or administrator's  
5 regular retirement benefits without penalty.

6 (c) To qualify for a position of at least one-half of a  
7 full-time [~~re-hiring~~] equivalent under this section, the person  
8 shall have been retired for at least one calendar year prior to  
9 reemployment."

10 SECTION 3. Act 286, Session Laws of Hawaii 2006, is  
11 amended by amending section 4 to read as follows:

12 "SECTION 4. This Act shall take effect on July 1, 2006,  
13 and shall be repealed on June 30, [~~2011~~] 2013."

14 SECTION 4. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect on July 1, 2008, and  
17 shall be repealed on June 30, 2013.



**Report Title:**

Public Employees; Re-Employment of Retirees

**Description:**

Allows the state and county governments to hire retired state or county government employees if the employer abides by certain conditions: requires a one-year waiting period before rehiring, prohibits re-employment agreements prior to retirement, requires rehiring for civil service positions according to civil service and employment laws and the certification of such, requires employers to continue to make retirement contributions, and requires rehired employee to join collective bargaining unit if applicable. Requires annual report. Amends Act 286, SLH 2006, to conform. Sunsets on June 30, 2013. (HB2710 SD2)

