

JAN 18 2008

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 88-21, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 "Philippine veteran" means a United States citizen who
5 served in recognized units of the Philippine Armed Forces prior
6 to July 1, 1947 as a Regular Philippine Scout, a New Philippine
7 Scout, or a guerilla. For the purposes of this definition:

8 (1) "Guerilla" means a United States citizen who served as
9 a guerilla of the United States Armed Forces of the
10 Far East in resistance units recognized by and
11 cooperating with United States forces between
12 April 20, 1942, and June 30, 1946, inclusive.

13 (2) "New Filipino Scout" means a United States citizen who
14 served with the United States armed forces with the
15 consent of the Philippine government and served
16 between October 6, 1945, and June 30, 1947, inclusive.



1 (3) "Regular, or Old, Philippine Scout" means a United
2 States citizen who was a member of a small, regular
3 component of the United States army that was
4 considered to be in regular active service."

5 SECTION 2. Section 88-261, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) The following words and phrases as used in this part
8 shall have the same meanings as defined in section 88-21, unless
9 a different meaning is plainly required by the context:

10 "accumulated contributions"; "actuarial equivalent"; "average
11 final compensation"; "beneficiary"; "board"; "county";
12 "employee"; "medical board"; "Philippine veteran"; "retirant";
13 "retirement allowance"; "service"; and "system"."

14 SECTION 3. Section 88-51, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§88-51 Membership service generally.** Membership service
17 includes:

18 (1) Service by an employee rendered since becoming a
19 member;

20 (2) Service rendered prior to becoming a member but
21 subsequent to:

22 (A) January 1, 1926, by an employee of the State; or



- 1 (B) January 1, 1928, by an employee of any county;
- 2 (3) Service as an employee of the federal government where
- 3 the function carried on by the federal government has
- 4 been transferred to the State or any county, or where
- 5 the employee has been transferred to the federal
- 6 government and subsequently retransferred to the State
- 7 or any county;
- 8 (4) Service rendered by an employee in the office of the
- 9 delegate to Congress from Hawaii, or service rendered
- 10 by an employee in the office of a representative or a
- 11 senator to Congress from the State; provided that:
- 12 (A) The employee was a member of the system
- 13 immediately preceding the time the employee
- 14 renders the service;
- 15 (B) The employee reenters the service of the State or
- 16 county within one year after termination of the
- 17 service; and
- 18 (C) The employee has, to the satisfaction of the
- 19 board, waived the employee's right to any credit
- 20 under the Civil Service Retirement Act (5
- 21 U.S.C.A. Sections 8301 to 8351), as amended, or
- 22 the Federal Employees Retirement System Act (5



1 U.S.C.A. Sections 8401 to 8479), as amended,
2 based upon the service;
3 provided further that credit for this service shall
4 not exceed eight years;
5 (5) Service as an employee of the Hawaii territorial
6 guard;
7 (6) Service while engaged in professional improvement
8 pursuant to an approved leave of absence for that
9 purpose, with or without pay;
10 (7) Service between the years 1941 and 1947 with federal
11 defense agencies, where the employee was employed by
12 the government before the wartime service, went into
13 defense work at the direction of the employee's
14 employer, and returned to government service at the
15 end of the wartime service; provided that these
16 circumstances shall be verified by evidence
17 satisfactory to the board;
18 (8) Service, not exceeding four years, in the military
19 service of the United States during the period 1941-
20 1949 rendered by an employee who was employed by the
21 Territory or county prior to the employee's induction
22 into the military and who subsequently returned to



- 1 employment of the Territory or county following the
2 employee's discharge;
- 3 (9) Service rendered prior to becoming a member as a full-
4 time employee at the Leahi Hospital or Pahala
5 Hospital, now known as Ka'u Hospital, Puunene
6 Hospital, Waimea Hospital, Waimea, Kauai, Haliimaile
7 Dispensary, and Paia Hospital and Pioneer Mill
8 Hospital;
- 9 (10) Service rendered prior to becoming a member as a full-
10 time sheriff or deputy sheriff in the office of the
11 sheriff;
- 12 (11) The period of time when a member was absent from work
13 because of injuries incurred within the scope of the
14 member's employment and who has received workers'
15 compensation benefits prior to July 1, 1967;
- 16 (12) Service rendered as a full-time, year-round employee
17 of the legislature during any legislative session,
18 except for service rendered as a session employee, as
19 defined in section 88-54.2, and employed after
20 October 31, 2006;
- 21 (13) Service as a school cafeteria manager or worker if
22 paid by the State regardless of the source of funds



1 from which paid; provided that twelve months' service
2 shall be credited for the time the cafeteria manager
3 or worker was working on a nine-month, ten-month, or
4 eleven-month schedule during a school year; [and]

5 (14) Service rendered as a trustee of the office of
6 Hawaiian affairs during the period of July 1, 1993,
7 through June 30, 2002[-]; and

8 (15) Service rendered as a Philippine veteran.

9 Membership service shall only be credited for any period
10 for which the member makes the contributions to the system if
11 required by parts II, VII, and VIII of this chapter."

12 SECTION 4. Section 88-272, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§88-272 Credited service.** Credited service includes:

- 15 (1) Service by an employee rendered since becoming a
16 member;
- 17 (2) Service credited under part II as a class A or class B
18 member for members who make the election described in
19 section 88-271(a);
- 20 (3) Service for members who return to service in the
21 manner described in section 88-271(b);



- 1 (4) Service in the armed forces as provided by subpart E
- 2 of part II; provided that the service shall be
- 3 credited at no cost upon certification by the system;
- 4 (5) Mandatory maternity leave as provided in part II;
- 5 provided that such service shall be credited at no
- 6 cost upon certification by the system;
- 7 (6) Service rendered prior to becoming a class C member as
- 8 described in section 88-51 that is not included in
- 9 paragraphs (1) to (5); provided that the service shall
- 10 be credited at no cost. Upon certification by the
- 11 system, that service shall be credited at the rate of
- 12 one month of service credit for each month of service
- 13 rendered following the return to membership; [~~and~~]
- 14 (7) Unused sick leave as provided in section 88-63;
- 15 provided that any additional service credit shall not
- 16 be used in determining eligibility for retirement or
- 17 for any other purpose as a class C member[~~-~~]; and
- 18 (8) Service rendered as a Philippine veteran."

19 SECTION 5. Section 88-323, Hawaii Revised Statutes, is
 20 amended to read as follows:

21 "[+]§88-323[+] **Class H credited service.** Class H credited
 22 service includes:



- 1 (1) Service by an employee rendered since becoming a class
2 H member;
- 3 (2) Service credited under part II as a class A member or
4 a class B member and converted to class H credited
5 service pursuant to section 88-322(b);
- 6 (3) Service credited under part VII as a class C member
7 and converted to class H credited service pursuant to
8 section 88-322(a);
- 9 (4) Service in the armed forces as provided by subpart E
10 of part II;
- 11 (5) Mandatory maternity leave as provided in part II;
12 [and]
- 13 (6) Unused sick leave as provided in section 88-63;
14 provided that any additional service credit shall not
15 be used in determining eligibility for retirement or
16 for any other purpose as a class H member[-]; and
- 17 (7) Service rendered as a Philippine veteran."

18 SECTION 6. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2008-2009 for
21 deposit into the pension accumulation fund.



1 SECTION 7. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so much
3 thereof as may be necessary for fiscal year 2008-2009 for
4 deposit into the pension accumulation fund as the employer's
5 share for employees who served as Philippine scouts and
6 guerillas to receive credited service for their tenure as scouts
7 or guerillas, as provided in this Act.

8 The sum appropriated shall be expended by the department of
9 budget and finance for the purposes of this Act.

10 SECTION 8. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 9. This Act shall take effect on July 1, 2008.

13

INTRODUCED BY: Clarena A. Nishihara
Will Sykes



Report Title:

Employees' Retirement System; Veterans

Description:

Grants service credit for state retirement purposes for service as a Philippine veteran.

