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# A BILL FOR AN ACT

RELATING TO THE PAYMENT OF EMPLOYEES' RETIREMENT SYSTEM  
BENEFITS.

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

- 1           SECTION 1. Section 88-6, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) read as follows:
- 3           "(a) Notwithstanding any other provision of this chapter:
- 4                 (1) All retirees and beneficiaries of the state  
5                         retirement system or county pension funds shall  
6                         be paid semimonthly; [~~and effective January 1,~~  
7                         2003, all] provided that:
- 8                         (A) All retirees and beneficiaries of the state  
9                         retirement system who either retire or  
10                         become beneficiaries after January 1, 2003,  
11                         shall be paid monthly; and
- 12                         (B) Effective March 1, 2011, all retirees and  
13                         beneficiaries of the state retirement system  
14                         shall be paid monthly; and
- 15                 (2) Any [~~retirant~~] retiree or beneficiary of the  
16                         state retirement system whose benefit commences  
17                         after June 30, 2001, shall designate a financial



1           institution account into which the system shall  
 2           be authorized to deposit their retirement  
 3           benefit[-]; and effective March 1, 2011, all  
 4           retirees and beneficiaries of the state  
 5           retirement system shall designate a financial  
 6           institution account into which the system shall  
 7           be authorized to deposit their state retirement  
 8           system benefits. This method of payment may be  
 9           waived by the system [~~if another method is~~  
 10           ~~determined to be more appropriate]."~~

11           SECTION 2. The employees' retirement system of the State  
 12 of Hawaii shall provide for the transition from semimonthly  
 13 payments to monthly payments pursuant to this Act by adjusting  
 14 the dates on which the semimonthly payments in January 2011 and  
 15 February 2011 are made.

16           SECTION 3. Statutory material to be repealed is bracketed  
 17 and stricken. New statutory material is underscored.

18           SECTION 4. This Act shall take effect on January 1, 2011.



**Report Title:**

Employees' Retirement System; Payment; Direct Deposit

**Description:**

Provides for the payment of state retirement system benefits on a monthly basis by direct deposit to a financial institution account. (SB2691 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

