

JAN 23 2009

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## A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO ARTICLE XVI, SECTION 2, OF THE HAWAII CONSTITUTION, TO AUTHORIZE THE LEGISLATURE TO ALLOW THE JUDICIARY TO REDUCE PENSION BENEFITS OF AN EMPLOYEE OF THE STATE OR A POLITICAL SUBDIVISION WHO IS CONVICTED OF A FELONY RELATED TO THE EMPLOYEE'S EMPLOYMENT.

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

1           SECTION 1. The legislature finds that the State has no  
2 policy regarding the reduction of pension benefits of a public  
3 official or employee who has been convicted of a felony relating  
4 to the public official or public employee's employment. No  
5 matter how serious the offense or how grossly a public official  
6 or employee has abused their public office, the existing laws  
7 which govern pension plans for state and municipal employees  
8 make no provision for reduction of their pension benefits in  
9 cases of a felony conviction. A state or municipal employee who  
10 otherwise meets the age and length of service requirements for a  
11 pension is entitled to collect pension benefits, even if the  
12 employee has betrayed the public trust and has been convicted of  
13 a felony related to that betrayal of trust.

14           The purpose of this Act is to propose an amendment to  
15 article XVI, section 2 of the Constitution of the State of



1 Hawaii to authorize the legislature to allow the judiciary to  
2 reduce the pension benefits of any member of the employees'  
3 retirement system who is convicted of a felony related to the  
4 member's employment with the State or any political subdivision.

5 SECTION 2. Article 16, section 2, of the Constitution of  
6 the State of Hawaii is amended to read as follows:

7 "EMPLOYEES' RETIREMENT SYSTEM

8 Section 2. Membership in any employees' retirement system  
9 of the State or any political subdivision thereof shall be a  
10 contractual relationship, the accrued benefits of which shall  
11 not be diminished or impaired[-]; provided that the legislature  
12 may allow the judiciary to reduce the pension benefits of any  
13 member of the employees' retirement system who is convicted of a  
14 felony related to the member's employment with the State or any  
15 political subdivision."

16 SECTION 3. The question to be printed on the ballot shall  
17 be as follows:

18 "Shall the legislature authorize the judiciary to reduce  
19 the pension benefits of any member of the employees'  
20 retirement system who is convicted of a felony related to  
21 the member's employment with the State or any political  
22 subdivision?"



1           SECTION 4. Constitutional material to be repealed is  
2 bracketed and stricken. New constitutional material is  
3 underscored.

4           SECTION 5. This amendment shall take effect upon  
5 compliance with article XVII, section 3, of the Constitution of  
6 the State of Hawaii.

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INTRODUCED BY:

*[Handwritten signatures]*



**Report Title:**

Constitutional Amendment; Employees' Retirement System

**Description:**

Proposes a constitutional amendment to article XVI, section 2 of the state constitution to authorize the legislature to allow the judiciary to reduce the pension benefits of any member of the employees' retirement system who is convicted of a felony related to the member's employment with the State or any political subdivision.

