



GOV. MSG. NO 1129

April 28, 2011

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on April 28, 2011, the following bill was signed into law:

HB1035 HD1

RELATING TO EMPLOYEES' RETIREMENT
SYSTEM BENEFIT ENHANCEMENT
MORATORIUM.
ACT 029 (11)

NEIL ABERCROMBIE
Governor, State of Hawaii

APR 28 2011

on _____

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE, 2011
STATE OF HAWAII

H.B. NO. 1035
H.D. 1

A BILL FOR AN ACT

RELATING TO EMPLOYEES' RETIREMENT SYSTEM BENEFIT ENHANCEMENT
MORATORIUM.

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

1 SECTION 1. The purpose of this Act is to assist the
2 employees' retirement system in improving and protecting its
3 funded status by placing a moratorium on the enhancement of
4 benefits until the system's funded ratio is one hundred per
5 cent. If future legislatures grant additional benefits (which
6 include earlier retirements), the time it will take the
7 employees' retirement system to become fully funded will be
8 lengthened, perhaps significantly, depending upon the level of
9 enhancements granted.

10 SECTION 2. Chapter 88, Hawaii Revised Statutes, is amended
11 by adding a new section to part II to be appropriately
12 designated and to read as follows:

13 "§88- Moratorium on benefit enhancements. There shall
14 be no benefit enhancements under this chapter for any group of
15 members, including any reduction of retirement age, until such
16 time as the actuarial value of the system's assets is one
17 hundred per cent of the system's actuarial accrued liability."



- 1 SECTION 3. New statutory material is underscored.
- 2 SECTION 4. This Act shall take effect upon its approval.

APPROVED this *28th* day of *April*, 2011

Nail Abernethy

GOVERNOR OF THE STATE OF HAWAII

