
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. The purpose of this Act is to change the
2 formula for the crediting of unused sick leave when a new public
3 employee retires or leaves government service. The legislature
4 finds that this Act is necessary to reduce the public employers'
5 contributions to the employees' retirement system.

6 SECTION 2. Section 88-63, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "~~§~~88-63~~§~~ Credit for unused sick leave. (a). This
9 subsection applies to a public employee who first entered
10 service before July 1, 2011.

11 A public employee, to whom this subsection applies, who
12 retires or leaves government service in good standing with sixty
13 days or more of unused sick leave shall be entitled to
14 additional service credit in the retirement system as follows:

15 (1) An employee with sixty days of unused sick leave to
16 the employee's credit shall have the employee's years
17 of service increased by three months for the purpose
18 of computing the employee's retirement allowance.



1 (2) For each additional twenty days or major fraction
2 thereof of unused sick leave in excess of sixty days
3 that the employee has to the employee's credit the
4 employee shall have the employee's years of service
5 increased by one month for the purpose of computing
6 the employee's retirement allowance.

7 (b) This subsection applies to a public employee who first
8 enters service after June 30, 2011.

9 A public employee, to whom this subsection applies, who
10 retires or leaves government service in good standing with any
11 unused sick leave shall be entitled to additional service credit
12 in the retirement system as follows:

13 For each forty days or major fraction thereof of unused
14 sick leave that the employee has to the employee's credit, the
15 employee shall have the employee's years of service increased by
16 one month for the purpose of computing the employee's retirement
17 allowance.

18 (c) The allowance on service retirement of section 88-74
19 and the service benefit limitation therein shall not apply to
20 retirement allowances ~~[which]~~ that exceed such limitations by
21 virtue of the application of ~~[this section]~~ subsection (a) or
22 (b) in the computation of retirement allowances and no reduction



1 in such retirement allowances shall be made on account of such
2 limitations."

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 Statutory material to be repealed is bracketed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

5 SECTION 4. This Act shall take effect on July 1, 2011.

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INTRODUCED BY:

Calvin K. Y. Boy

JAN 21 2011



Report Title:

Employees' Retirement System; Unused Sick Leave Credit For New Public Employees

Description:

Provides, for a new public employee hired after 06/30/11, retirement service credit for unused sick leave that is half of the credit applicable to an existing public employee. Does not change the unused sick leave credit provisions for an existing public employee.

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