

JAN 21 2011

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# A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEE RETIREMENT BENEFITS.

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

1           SECTION 1. Chapter 88, Hawaii Revised Statutes, is amended  
2 by adding a new section to be appropriately designated and to  
3 read as follows:

4           "§88-    Public employees; forfeiture of benefits;  
5 conviction of felony. (a) In addition to any other penalties,  
6 whenever a court sentences a public employee for a felony  
7 offense and the public employee's conduct constituting the  
8 violation is related to the public employee's duties, the court  
9 shall order the board to withhold all or a portion of the public  
10 employee's benefits under this chapter, and the public  
11 employee's benefits or a portion thereof shall be forfeited to  
12 the credit of the pension accumulation fund.

13           (b) If the felony conviction that results in the  
14 forfeiture of all or a portion of a public employee's benefits  
15 pursuant to subsection (a) is overturned on appeal, the public  
16 employee shall receive back benefits and be returned to the  
17 benefits the public employee received prior to conviction.

18           (c) For purposes of this section:



- 1       (1) "Public employee" means any public employee of the  
2       State or any county, and the political subdivisions  
3       and agencies thereof, any civil service or elected  
4       employees or officers, and any probationary or  
5       provisional employees of the State or county;
- 6       (2) Employees covered by chapter 89 shall be entitled to a  
7       grievance procedure culminating in a final and binding  
8       decision; and
- 9       (3) A rebuttable presumption shall arise that the criminal  
10       conviction is just and proper cause for the employee's  
11       forfeiture of benefits under this chapter."

12       SECTION 2. This Act does not affect rights and duties that  
13       matured, penalties that were incurred, and proceedings that were  
14       begun before its effective date.

15       SECTION 3. New statutory material is underscored.

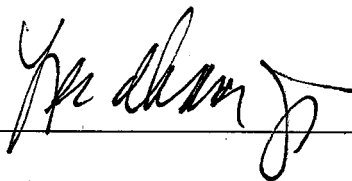
16       SECTION 4. This Act shall take effect upon its approval  
17       and upon ratification of a constitutional amendment requiring a  
18       court to order the board of trustees of the employees'  
19       retirement system to withhold all or a portion of a public  
20       employee's benefits when that court sentences that public

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1 employee for a felony offense relating to that public employee's  
2 duties.

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INTRODUCED BY:

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**Report Title:**

Public Employee Benefits; Felony Conviction; Forfeiture

**Description:**

Requires a court that sentences a public employee for a felony for conduct related to the public employee's duties to order that all or a portion of the public employee's benefits be forfeited to the credit of the pension accumulation fund.

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

