
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. Section 88-74, Hawaii Revised Statutes, is
2 amended by amending subsection (g) to read as follows:

3 "(g) If a member, who becomes a member after June 30,
4 2012, has credited service as a judge, the member's retirement
5 allowance shall be computed on the following basis:

6 (1) For each year of credited service as a judge, three
7 per cent of the member's average final compensation in
8 addition to an annuity that is the actuarial
9 equivalent of the member's accumulated contributions
10 allocable to the period of service. If the member has
11 not attained age sixty, the member's retirement
12 allowance shall be computed as though the member had
13 attained age sixty, reduced for age as provided in
14 subsection (i); and

15 (2) For a judge with other credited service, as provided
16 in subsection (f). If the member has not attained age
17 sixty, the member's retirement allowance shall be
18 computed as though the member had attained age sixty,



1 reduced for age as provided in subsection (i); [~~and~~]

2 or

3 (3) For a judge with credited service as an elective
4 officer or as a legislative officer, as provided in
5 subsection (h).

6 No allowance shall exceed seventy-five per cent of the member's
7 average final compensation. If the allowance exceeds this
8 limit, it shall be adjusted by reducing the annuity included in
9 paragraph (1) and the portion of the accumulated contributions
10 specified in paragraph (1) in excess of the requirements of the
11 reduced annuity shall be returned to the member upon the
12 member's retirement or paid to the member's designated
13 beneficiary upon the member's death while in service or while on
14 authorized leave without pay. The allowance for judges under
15 this subsection, together with the retirement allowance provided
16 by the federal government for similar service, shall in no case
17 exceed seventy-five per cent of the member's average final
18 compensation."

19 SECTION 2. Section 88-81, Hawaii Revised Statutes, is
20 amended by amending subsection (f) to read as follows:

21 "(f) If a member, who becomes a member after June 30,
22 2012, has credited service rendered as an elective officer or as



1 a legislative officer, the member's average final compensation
2 shall be computed separately for each category of service as
3 follows:

4 (1) For the five highest paid years of credited service as
5 an elective officer, or if the member has fewer than
6 five years of credited service in that capacity, then
7 the member's actual years of credited service;

8 (2) For the five highest paid years of credited service as
9 a legislative officer, or if the member has fewer than
10 five years of credited service in that capacity, then
11 the member's actual years of credited service;

12 (3) For the five highest paid years of credited service as
13 a judge, or if the member has fewer than [~~three~~] five
14 years of credited service in that capacity, then the
15 member's actual years of credited service; and

16 (4) For the five highest paid years of credited service
17 not included in paragraph (1), (2), or (3), or if the
18 member has fewer than five years of credited service
19 in that capacity, then the member's actual years of
20 credited service."

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



H.B. NO. 1889

1 SECTION 4. This Act shall take effect on July 1, 2012.

2

INTRODUCED BY: _____

Kal Rhoad

JAN 17 2012



H.B. NO. 1889

Report Title:

Employees' Retirement System

Description:

Revises both the retirement allowance of persons who become members of the ERS after June 30, 2012, and who have credited service as judges as well as the average final compensation of persons who become members of the ERS after June 30, 2012, and who have credited service as elective officers or as legislative officers.

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