
A BILL FOR AN ACT

RELATING TO RETIREMENT.

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

1 SECTION 1. The purpose of this Act is to equalize the
2 status of elected officials with other public servants and
3 members of the general public by removing the ability of elected
4 officials whose initial term of office commenced after November
5 5, 2012, to collect both a salary and a retirement allowance.

6 SECTION 2. Section 88-42.6, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "[+]§88-42.6[+] **Membership of elective officers.** (a) An
9 elective officer shall be a member of the employees' retirement
10 system; provided that an elective officer shall have a one-time
11 election to be excluded from membership in the employees'
12 retirement system.

13 (b) Unless the elective officer is a member of the system,
14 a former member of the system, or a retirant, an elective
15 officer shall make the election to be excluded from membership
16 in the system no later than thirty days following the elective
17 officer's taking office. The election shall be irrevocable. If
18 the elective officer fails to make an election to be excluded



1 from membership in the system within the period allowed for
2 making the election, the elective officer shall become a member
3 effective as of the date the elective officer takes office.

4 (c) Notwithstanding section 88-21, 88-98, 88-273(c), or
5 88-344, or any other law to the contrary, the retirement
6 allowance of a retirant who returns to service as an elective
7 officer shall not be suspended if the retirant:

8 (1) Retired pursuant to section 88-73(d); or

9 (2) Has been retired for at least twelve consecutive
10 months prior to return to service and elects to have
11 the retirement allowance continue. The election
12 whether or not to have the retirant's retirement
13 allowance continue shall be irrevocable and shall be
14 made no later than thirty days following the
15 retirant's first return to service as an elective
16 officer[-];

17 unless the retirant's initial term of office commenced after
18 November 5, 2012. [~~¶~~] During the time any retirant's
19 retirement allowance is not suspended, the retirant shall not
20 become a member of the system and shall not earn additional
21 service credit or gain any additional retirement benefits.



1 (d) An elective officer who is retired and who receives an
2 allowance pursuant to section 88-73(d) shall not be eligible for
3 membership in the system while serving as an elective officer."

4 (e) For purposes of this section, "initial term of office"
5 means a term for an elected state or county public office not
6 preceded by the retirant's service in an elected state or county
7 public office on the day immediately preceding the commencement
8 of the term of office in question."

9 SECTION 3. Section 88-73, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "**§88-73 Service retirement.** (a) Any member who:

12 (1) Became a member before July 1, 2012, and has at least
13 five years of credited service and has attained age
14 fifty-five;

15 (2) Became a member before July 1, 2012, and has at least
16 twenty-five years of credited service;

17 (3) Has at least ten years of credited service, which
18 includes service as a judge before July 1, 1999, an
19 elective officer, or a legislative officer;

20 (4) Becomes a member after June 30, 2012, and has at least
21 ten years of credited service and has attained age
22 sixty; or



1 (5) Becomes a member after June 30, 2012, and has at least
2 twenty-five years of credited service and has attained
3 age fifty-five,

4 shall become eligible to receive a retirement allowance after
5 the member has terminated service.

6 (b) Any member who first earned credited service as a
7 judge after June 30, 1999, but before July 1, 2012, and who has
8 at least five years of credited service and has attained age
9 fifty-five or has at least twenty-five years of credited service
10 shall become eligible to receive a retirement allowance after
11 the member has terminated service. Any member who first earned
12 credited service as a judge after June 30, 2012, and has at
13 least ten years of credited service and has attained age sixty
14 or has at least twenty-five years of credited service and has
15 attained age fifty-five shall be eligible to receive a
16 retirement allowance after the member has terminated service.

17 (c) A member may retire upon the written application
18 specifying the date of retirement, which shall not be less than
19 thirty days nor more than one hundred fifty days subsequent to
20 the date of filing. Retirement shall be effective on the first
21 day of a month, except for the month of December when retirement
22 on the first or last day of the month shall be allowed.



1 (d) Any member of the legislature who attains age sixty-
2 five may retire and receive a service retirement allowance
3 although the member continues to fill the elective position[+],
4 unless the member's initial term of office commenced after
5 November 5, 2012.

6 (e) In the case of a class A or B member who also has
7 prior credited service under part VII or part VIII, total
8 credited service as a class A, class B, class C, and class H
9 member shall be used to determine the eligibility for retirement
10 allowance."

11 (f) For purposes of this section, "initial term of office"
12 means a term for an elected state or county public office not
13 preceded by the member's service in an elected state or county
14 public office on the day immediately preceding the commencement
15 of the term of office in question."

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

18 SECTION 5. If any provision of this Act, or the
19 application thereof to any person or circumstance, is held
20 invalid, the invalidity does not affect other provisions or
21 applications of the Act that can be given effect without the



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1 invalid provision or application, and to this end the provisions
2 of this Act are severable.

3 SECTION 6. This Act shall take effect upon its approval.

INTRODUCED BY:

Beth Lukumoto
by request

JAN 22 2013



H.B. NO. 1040

Report Title:

Retirement; Legislators; Retirement Allowances

Description:

Ends the ability of certain elected officials to receive both a retirement allowance and a salary during their terms of office.

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

