
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 crediting unused sick leave when a public employee
3 retires or leaves government service. The legislature finds
4 that this Act is necessary to reduce the public employers'
5 contributions to the Employees' Retirement System of the State
6 of Hawaii.

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

9 "~~[+]~~§88-63~~[+]~~ **Credit for unused sick leave.** (a) This
10 subsection shall apply to public employees who became members of
11 the system before July 1, 2014.

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

16 (1) An employee with sixty days of unused sick leave to
17 the employee's credit shall have the employee's years



1 of service increased by three months for the purpose
2 of computing the employee's retirement allowance.

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

9 (b) This subsection shall apply to public employees who
10 become members of the system after June 30, 2014.

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

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

20 (2) For each additional forty days or major fraction
21 thereof of unused sick leave that the employee has to
22 the employee's credit, the employee shall have the



1 employee's years of service increased by one month for
2 the purpose of computing the employee's retirement
3 allowance.

4 (c) The allowance on service retirement of section 88-74
5 and the service benefit limitation therein shall not apply to
6 retirement allowances [~~which~~] that exceed such limitations by
7 virtue of the application of this section in the computation of
8 retirement allowances and no reduction in such retirement
9 allowances shall be made on account of such limitations."

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

12 SECTION 4. This Act, upon its approval, shall take effect
13 on July 1, 2014.



Report Title:

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

Description:

Changes the formula for crediting unused sick leave to
retirement benefits for public employees who become members of
the Employees' Retirement System after June 30, 2014. (HB2263
HD1)

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

