
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 88-103.7, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§88-103.7[+] **Information from the State and counties.**

4 (a) To fulfill its responsibilities under this chapter, the
5 system [~~may~~] shall require any department or agency of the State
6 or counties to furnish information to the system to carry out
7 the purposes of this chapter. The system [~~may~~] shall specify
8 the format in which the information shall be furnished. Without
9 limitation of the foregoing, the system [~~may~~] shall require that
10 information be furnished in electronic format and that
11 information with respect to payroll and personnel transactions:

12 (1) Allocate payments, including bonuses, salary
13 adjustments, payments for compensatory time, and
14 workers' compensation, to monthly or other periods as
15 requested by the system; [~~and~~]

16 (2) Specify the purpose or nature of the payment[~~-~~]; and

17 (3) Indicate any changes or errors in payments that
18 require correcting or updating.



1 (b) All departments and agencies of the State or counties
2 shall furnish the information required by the system pursuant to
3 this section in the format required by the system.

4 (c) If a department or agency of the State or county fails
5 to furnish the system with the information required pursuant to
6 this section, the State or county shall pay to the system, on
7 the first day of the fiscal year following the fiscal year in
8 which the failure to furnish the required information occurred,
9 an amount equal to the employer contributions payable by the
10 State or county, relative to the department or agency that is
11 not in compliance with this section, during the fiscal year in
12 which the failure to furnish the required information occurred.
13 This amount shall be applied to contributions required under
14 section 88-124 for the State and section 88-126 for the
15 counties.

16 (d) If full payment of the amount required under
17 subsection (c) is not made by the State or county on the first
18 day of the fiscal year, then:

19 (1) Any unpaid amounts shall bear interest at the rate
20 equal to the investment yield rate assumption in
21 effect for actuarial valuations of the system; and



1 (2) Any payments received by the system for the State or
2 county, except for payments made pursuant to sections
3 88-46, 88-100, and 88-326, shall be applied first to
4 accrued interest and then to the amount required to be
5 paid under subsection (c).

6 (e) The department of budget and finance shall annually
7 submit to the legislature, not later than twenty days prior to
8 the convening of each regular session, a report that details the
9 following for the current fiscal year:

10 (1) Any department or agency that failed to comply with
11 this section; and

12 (2) Any amounts required to be paid under subsection (c),
13 and the budget programs affected."

14 SECTION 2. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Employees' Retirement System; Payroll and Personnel Transactions

Description:

Requires, rather than allows, the employees' retirement system to require any department or agency of the State or counties to furnish to the system certain payroll and personnel transaction information, including any changes or errors in payments that require correcting or updating. Provides that if a department or agency fails to provide the information, the State or county is required to pay to the system, on the first day of the following fiscal year in which the failure occurred, an amount equal to the employer contributions payable by the State or county relative to that department or agency. Provides that if the required payment is not made on the first day of the fiscal year, any unpaid amounts shall bear interest and any subsequent payments shall be applied first to accrued interest and then to the required payment. Requires reporting. Effective 7/1/2050. (SD2)

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