
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 88-47, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) There shall be four classes of members in the system
4 to be known as class A, class B, class C, and class H, defined
5 as follows:

6 (1) Class A shall consist of:

7 (A) [~~Judges, elected~~] Elected officials[~~7~~] and
8 legislative officers;

9 (B) Investigators of the department of the attorney
10 general, narcotics enforcement investigators,
11 water safety officers not making the election
12 under section 88-271, and public safety
13 investigations staff investigators;

14 (C) Those members in service prior to July 1, 1984,
15 including those who are on approved leave of
16 absence, not making the election to become a



- 1 class C member as provided in part VII or to
2 become a class H member as provided in part VIII;
- 3 (D) The following members in service prior to July 1,
4 2006, including those who are on approved leave
5 of absence, not making the election to become a
6 class H member as provided in part VIII:
- 7 (i) Members whose salaries are set forth in
8 sections 26-52 and 26-53 and their county
9 counterparts, managing directors or an
10 administrative assistant to the mayor, other
11 county department heads, and agency heads
12 appointed and subject to removal by the
13 mayor;
- 14 (ii) First deputies appointed by the county
15 attorney and prosecuting attorney;
- 16 (iii) The county clerk and deputy county clerk of
17 each county;
- 18 (iv) The directors of the offices of council
19 services of the county of Maui and the city
20 and county of Honolulu;
- 21 (v) The administrative director of the courts;



- 1 (vi) The deputy administrative director of the
- 2 courts;
- 3 (vii) The executive officer of the labor and
- 4 industrial relations appeals board; and
- 5 (viii) The executive officer of the Hawaii labor
- 6 relations board;
- 7 (E) All former class A retirants who return to
- 8 employment after June 30, 1984, requiring the
- 9 retirant's active membership; [and]
- 10 (F) All former class B retirants who return to
- 11 employment requiring the retirant's active
- 12 membership, except for:
- 13 (i) Former retirants who return in the positions
- 14 of police officer or firefighter;
- 15 (ii) Former retirants who were members on July 1,
- 16 1957, who elected not to be covered by the
- 17 Social Security Act; and
- 18 (iii) Former retirants who were in positions to
- 19 which coverage under Title II of the Social
- 20 Security Act was not extended who entered



1 membership after June 30, 1957, but before
2 January 1, 2004; and

3 (G) Members serving as judges on or after July 1,
4 2016, to the extent that no benefits have
5 accrued, and for any reappointment or promotion
6 thereafter;

7 (2) Class B shall consist of:

8 (A) Police officers and firefighters, including
9 former retirants who return to service in such
10 capacity;

11 (B) All employees, including former retirants, who
12 were members on July 1, 1957, who elected not to
13 be covered by the Social Security Act; and

14 (C) All employees, including former retirants, in
15 positions to which coverage under Title II of the
16 Social Security Act is not extended, who enter
17 membership after June 30, 1957, but before
18 January 1, 2004, not making the election to
19 become a class H member as provided in part VIII;

20 (3) Except for members described in paragraphs (1) and

21 (2), class C shall consist of all employees, not



- 1 making the election to become a class H member as
2 provided in part VIII, who:
- 3 (A) First enter service after June 30, 1984, but
4 before July 1, 2006;
 - 5 (B) Reenter service after June 30, 1984, but before
6 July 1, 2006, without vested benefit status as
7 provided in section 88-96(b);
 - 8 (C) Make the election to become a class C member as
9 provided in part VII; or
 - 10 (D) Are former class C retirants who return to
11 service requiring the retirant's active
12 membership; and
- 13 (4) Except for members described in paragraphs (1) and
14 (2), class H shall consist of all employees who:
- 15 (A) First enter service after June 30, 2006;
 - 16 (B) Reenter service after June 30, 2006, without
17 vested benefit status as provided in section 88-
18 96(b);
 - 19 (C) Make the election to become a class H member as
20 provided in part VIII; [e]



- 1 (D) Are former class H retirants who return to
- 2 service requiring the retirant's active
- 3 membership[-]; or
- 4 (E) Members serving as judges on or after July 1,
- 5 2016, to the extent that no benefits have
- 6 accrued, and for any reappointment or promotion
- 7 thereafter."

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

10 "(c) If a member, who became a member prior to July 1,
 11 2012, has credited service as a judge, the member's retirement
 12 allowance shall be computed on the following basis:

13 (1) For a member who has credited service as a judge
 14 before July 1, 1999, irrespective of age, for each
 15 year of credited service as a judge, three and one-
 16 half per cent of the member's average final
 17 compensation in addition to an annuity that is the
 18 actuarial equivalent of the member's accumulated
 19 contributions allocable to the period of service;

20 (2) For a member who first earned credited service as a
 21 judge after June 30, 1999, but before July 1, 2012,



1 for each year of credited service as a judge, three
2 and one-half per cent of the member's average final
3 compensation in addition to an annuity that is the
4 actuarial equivalent of the member's accumulated
5 contributions allocable to the period of service. If
6 the member has not attained age fifty-five, the
7 member's retirement allowance shall be computed as
8 though the member had attained age fifty-five, reduced
9 for age as provided in subsection (e);

10 (3) For a member who first earned credited service as a
11 judge after June 30, 2012, for each year of credited
12 service as a judge, three per cent of the member's
13 average final compensation in addition to an annuity
14 that is the actuarial equivalent of the member's
15 accumulated contributions allocable to the period of
16 service. If the member has not attained age sixty,
17 the member's retirement allowance shall be computed as
18 though the member had attained age sixty, reduced for
19 age as provided in subsection (i);

20 (4) For a judge with other credited service, as provided
21 in subsection (b). If the member has not attained age



1 fifty-five, the member's retirement allowance shall be
 2 computed as though the member had attained age fifty-
 3 five, reduced for age as provided in subsection (e);
 4 [or]

5 (5) For a judge with credited service as an elective
 6 officer or as a legislative officer, as provided in
 7 subsection (d) [-]; or

8 (6) For a member who earns any credited service as a judge
 9 on or after July 1, 2016, for each year of credited
 10 service as a judge, two per cent of the member's
 11 average final compensation in addition to an annuity
 12 that is the actuarial equivalent of the member's
 13 accumulated contributions allocable to the period of
 14 service. If the member has not attained age sixty,
 15 the member's retirement allowance shall be computed as
 16 though the member had attained age sixty, reduced for
 17 age as provided in subsection (i).

18 No allowance shall exceed seventy-five per cent of the member's
 19 average final compensation. If the allowance exceeds this
 20 limit, it shall be adjusted by reducing the annuity included in
 21 paragraphs (1), (2), [and] (3), and (6) and the portion of the




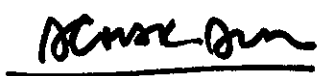
1 accumulated contributions specified in paragraphs (1), (2),
 2 [~~and~~] (3), and (6) in excess of the requirements of the reduced
 3 annuity shall be returned to the member upon the member's
 4 retirement or paid to the member's designated beneficiary upon
 5 the member's death while in service or while on authorized leave
 6 without pay. The allowance for judges under this subsection,
 7 together with the retirement allowance provided by the federal
 8 government for similar service, shall in no case exceed seventy-
 9 five per cent of the member's average final compensation."

10 SECTION 3. This Act does not affect rights and duties that
 11 matured, penalties that were incurred, and proceedings that were
 12 begun before its effective date.

13 SECTION 4. Statutory material to be repealed is bracketed
 14 and stricken. New statutory material is underscored.

15 SECTION 5. This Act shall take effect on July 1, 2016.

16

INTRODUCED BY: 


JAN 22 2016



H.B. NO. 2006

Report Title:

ERS; Judges; Hybrid

Description:

Classifies as hybrid members under the ERS, persons serving as judges on or after 7/1/2016.

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

