
A BILL FOR AN ACT

RELATING TO THE RETIREMENT OF JUDGES.

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

1 SECTION 1. Section 88-73, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 " (b) Any member who became a member before July 1, 2012,
4 and first earned credited service as a judge after June 30,
5 1999, [~~but before July 1, 2012,~~] and who [has]:

6 (1) Has at least five years of credited service and has
7 attained age fifty-five; or [has]

8 (2) Has at least twenty-five years of credited service,
9 shall become eligible to receive a retirement allowance after
10 the member has terminated service. [~~Any member who first earned~~
11 credited service as a judge after June 30, 2012, and has at
12 least ten years of credited service and has attained age sixty
13 or has at least twenty five years of credited service and has
14 attained age fifty five shall be eligible to receive a
15 retirement allowance after the member has terminated service.] "

16 SECTION 2. Section 88-74, Hawaii Revised Statutes, is
17 amended as follows:



1 1. By amending subsection (c) to read:

2 "(c) If a member, who became a member prior to July 1,
3 2012, has credited service as a judge, the member's retirement
4 allowance shall be computed on the following basis:

5 (1) For a member who has credited service as a judge
6 before July 1, 1999, irrespective of age, for each
7 year of credited service as a judge, three and one-
8 half per cent of the member's average final

9 compensation in addition to an annuity that is the
10 actuarial equivalent of the member's accumulated
11 contributions allocable to the period of service;

12 (2) For a member who first earned credited service as a
13 judge after June 30, 1999, but before July 1, 2012,
14 for each year of credited service as a judge, three
15 and one-half per cent of the member's average final
16 compensation in addition to an annuity that is the
17 actuarial equivalent of the member's accumulated
18 contributions allocable to the period of service. If
19 the member has not attained age fifty-five, the
20 member's retirement allowance shall be computed as



- 1 though the member had attained age fifty-five, reduced
2 for age as provided in subsection (e);
- 3 (3) For a member who first earned credited service as a
4 judge after June 30, 2012, for each year of credited
5 service as a judge, three per cent of the member's
6 average final compensation in addition to an annuity
7 that is the actuarial equivalent of the member's
8 accumulated contributions allocable to the period of
9 service. If the member has not attained age [~~sixty,~~
10 fifty-five, the member's retirement allowance shall be
11 computed as though the member had attained age
12 [~~sixty,~~ fifty-five, reduced for age as provided in
13 subsection [~~(i),~~] (e);
- 14 (4) For a judge with other credited service, as provided
15 in subsection (b). If the member has not attained age
16 fifty-five, the member's retirement allowance shall be
17 computed as though the member had attained age fifty-
18 five, reduced for age as provided in subsection (e);
19 or



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

4 No allowance shall exceed seventy-five per cent of the member's
5 average final compensation. If the allowance exceeds this
6 limit, it shall be adjusted by reducing the annuity included in
7 paragraphs (1), (2), and (3) and the portion of the accumulated
8 contributions specified in paragraphs (1), (2), and (3) in
9 excess of the requirements of the reduced annuity shall be
10 returned to the member upon the member's retirement or paid to
11 the member's designated beneficiary upon the member's death
12 while in service or while on authorized leave without pay. The
13 allowance for judges under this subsection, together with the
14 retirement allowance provided by the federal government for
15 similar service, shall in no case exceed seventy-five per cent
16 of the member's average final compensation."

17 2. By amending subsection (d) to read:

18 "(d) If a member, who became a member before July 1, 2012,
19 has credited service as an elective officer or as a legislative
20 officer, the member's retirement allowance shall be derived by



1 adding the allowances computed separately under paragraphs (1),
2 (2), (3), (4), (5), and (6) as follows:

3 (1) For a member who has credited service as an elective
4 officer before July 1, 2012, irrespective of age, for
5 each year of credited service as an elective officer,
6 three and one-half per cent of the member's average
7 final compensation as computed under section 88-
8 81(e)(1), in addition to an annuity that is the
9 actuarial equivalent of the member's accumulated
10 contributions allocable to the period of service;

11 (2) For a member, who first earned credited service as an
12 elective officer after June 30, 2012, irrespective of
13 age, for each year of credited service as an elective
14 officer, three per cent of the member's average final
15 compensation as computed under section 88-81(e)(1), in
16 addition to an annuity that is the actuarial
17 equivalent of the member's accumulated contributions
18 allocable to the period of service;

19 (3) For a member who has credited service as a legislative
20 officer before July 1, 2012, irrespective of age, for
21 each year of credited service as a legislative



1 officer, three and one-half per cent of the member's
2 average final compensation as computed under section
3 88-81(e) (2), in addition to an annuity that is the
4 actuarial equivalent of the member's accumulated
5 contributions allocable to the period of service;

6 (4) For a member who first earned credited service as a
7 legislative officer after June 30, 2012, irrespective
8 of age, for each year of credited service as a
9 legislative officer, three per cent of the member's
10 average final compensation as computed under section
11 88-81(e) (2), in addition to an annuity that is the
12 actuarial equivalent of the member's accumulated
13 contributions allocable to the period of service;

14 (5) If the member has credited service as a judge, the
15 member's retirement allowance shall be computed on the
16 following basis:

17 (A) For a member who has credited service as a judge
18 before July 1, 1999, irrespective of age, for
19 each year of credited service as a judge, three
20 and one-half per cent of the member's average
21 final compensation as computed under section 88-



1 81(e)(3), in addition to an annuity that is the
2 actuarial equivalent of the member's accumulated
3 contributions allocable to the period of service;
4 (B) For a member who first earned credited service as
5 a judge after June 30, 1999, but before July 1,
6 2012, and has attained the age of fifty-five, for
7 each year of credited service as a judge, three
8 and one-half per cent of the member's average
9 final compensation as computed under section 88-
10 81(e)(3), in addition to an annuity that is the
11 actuarial equivalent of the member's accumulated
12 contributions allocable to the period of service.
13 If the member has not attained age fifty-five,
14 the member's retirement allowance shall be
15 computed as though the member had attained age
16 fifty-five, reduced for age as provided in
17 subsection (e); and
18 (C) For a member who first earned credited service as
19 a judge after June 30, 2012, and has attained the
20 age of [~~sixty,~~] fifty-five, for each year of
21 credited service as a judge, three per cent of



1 the member's average final compensation as
 2 computed under section 88-81(e) (3), in addition
 3 to an annuity that is the actuarial equivalent of
 4 the member's accumulated contributions allocable
 5 to the period of service. If the member has not
 6 attained age [~~sixty~~] fifty-five, the member's
 7 retirement allowance shall be computed as though
 8 the member had attained age [~~sixty~~] fifty-five,
 9 reduced for age as provided in subsection [~~(i)~~]
 10 (e); and

11 (6) For each year of credited service not included in
 12 paragraph (1), (2), (3), (4), or (5), the average
 13 final compensation as computed under section 88-
 14 81(e) (4) shall be multiplied by two per cent for
 15 credited service earned as a class A or class H
 16 member, two and one-half per cent for credited service
 17 earned as a class B member, and one and one-quarter
 18 per cent for credited service earned as a class C
 19 member. If the member has not attained age fifty-
 20 five, the member's retirement allowance shall be



1 computed as though the member had attained age fifty-
2 five, reduced for age as provided in subsection (e).
3 The total retirement allowance shall not exceed seventy-five per
4 cent of the member's highest average final compensation
5 calculated under section 88-81(e)(1), (2), (3), or (4). If the
6 allowance exceeds this limit, it shall be adjusted by reducing
7 any annuity accrued under paragraphs (1), (2), (3), (4), and (5)
8 and the portion of the accumulated contributions specified in
9 these paragraphs in excess of the requirements of the reduced
10 annuity shall be returned to the member upon the member's
11 retirement or paid to the member's designated beneficiary upon
12 the member's death while in service or while on authorized leave
13 without pay. If a member has service credit as an elective
14 officer or as a legislative officer in addition to service
15 credit as a judge, then the retirement benefit calculation
16 contained in this subsection shall supersede the formula
17 contained in subsection (c)."

18 SECTION 3. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.



H.B. NO. 791

1 SECTION 4. This Act, upon its approval, shall take effect
2 retroactive to July 1, 2012.

3

INTRODUCED BY:

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JAN 26 2015



H.B. NO. 791

Report Title:

Employees' Retirement System; Judges

Description:

Corrects errors. Harmonizes age and service requirements for judges who are members of the employees' retirement system with requirements for other contributory plan members.

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

