
A BILL FOR AN ACT

RELATING TO SEPARATION BENEFITS.

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

1 SECTION 1. Chapter 89E, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:
4 "§89E- Employees who elect to remain in their positions
5 until the expiration of their applicable collective bargaining
6 agreement. (a) Notwithstanding any other law and with the
7 consent of the employee's exclusive representative, the employee
8 may elect to remain in the employee's position until the
9 expiration of the applicable collective bargaining agreement.
10 Upon being given written notice of the employee's election by
11 the employee or the employee's exclusive representative, the
12 governor may:
13 (1) Direct the agency to lease the services of an employee
14 who opts to remain in the employee's state position
15 pursuant to sections 89E-2 and 89E-3 to any other
16 facility of the agency, at a cost to the State at
17 least equal to the amount of the employee's monthly



1 salary and fringe benefits, until the expiration of
2 the collective bargaining agreement that covers that
3 employee's position and the employee's state
4 employment is terminated; provided that the employee's
5 exclusive representative consents to the leasing of
6 the employee's services; or

7 (2) Assign an employee who opts to remain in the
8 employee's position pursuant to sections 89E-2 and
9 89E-3 to an equivalent position in public service
10 until the expiration of the collective bargaining
11 agreement that pertains to the employee's position and
12 the employee's state employment is terminated;
13 provided that the new position shall be on the same
14 island as the terminated position.

15 (b) An employee whose services are leased or who is
16 assigned an equivalent position pursuant to subsection (a) shall
17 retain the employee's civil service status, whether permanent or
18 temporary, without loss of salary, seniority (except as
19 prescribed by applicable collective bargaining agreement),
20 retention points, prior service credit, any vacation and sick
21 leave credits previously earned, and other rights, benefits, and



1 privileges, in accordance with state personnel laws and this
2 Act; provided that the employee possesses the minimum
3 qualifications and public employment requirements for the class
4 or position to which appointed, as applicable; provided further
5 that subsequent changes in status may be made pursuant to
6 applicable civil service and compensation laws."

7 SECTION 2. Section 89E-2, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) Any employee entitled to reduction-in-force rights
10 under chapter 89 and who receives official notification that the
11 employee's position is being abolished or who is directly
12 affected by a reduction-in-force or workforce restructuring
13 plan, including privatization, may elect to receive a voluntary
14 severance benefit provided under this section in lieu of
15 [exercising] :

16 (1) Exercising any reduction-in-force rights under chapter
17 89 [and in lieu of receiving] ;

18 (2) Receiving any special retirement benefit under section
19 89E-3 [-] ; and



1 (3) Electing to remain in the employee's position until
 2 the expiration of the applicable collective bargaining
 3 agreement."

4 SECTION 3. Section 89E-3, Hawaii Revised Statutes, is
 5 amended as follows:

6 1. By amending subsection (a) to read:

7 "(a) Notwithstanding section 88-99 or any other law to the
 8 contrary, the employees' retirement system may provide,
 9 regardless of whether the actuarial value of the system's assets
 10 is one hundred per cent of the system's actuarial accrued
 11 liability, the benefits authorized under this section. Any
 12 employee who receives official notification that the employee's
 13 position is being abolished or who is directly affected by a
 14 reduction-in-force or workforce restructuring plan, including
 15 privatization, proposed by an agency may elect, if the employee
 16 is eligible to receive benefits from the employees' retirement
 17 system and meets any of the criteria specified in subsection
 18 (c), the special retirement benefit provided by this section in
 19 lieu of [exercising]:

20 (1) Exercising any reduction-in-force rights under chapter
 21 89 ~~[and in lieu of receiving]~~;



- 1 (2) Receiving any severance benefits under section
- 2 89E-2 [-]; and
- 3 (3) Electing to remain in the employee's position until
- 4 the expiration of the applicable collective bargaining
- 5 agreement.

6 To receive the special retirement benefit offered under
 7 this section, the employee shall comply with the application and
 8 time frame requirements specified in subsection (b)."

9 2. By amending subsection (e) to read:

10 "(e) The head of the agency shall transmit a list of
 11 employees who elected and received the special retirement
 12 benefit to the board of trustees of the employees' retirement
 13 system not less than thirty days but not more than one hundred
 14 fifty days prior to the employee's retirement date. The head of
 15 the agency shall certify that the employees on the list have in
 16 fact selected the special retirement benefit in lieu of
 17 [receiving]:

18 (1) Receiving the severance benefit under section 89E-2
 19 [and exercising];

20 (2) Exercising any reduction-in-force rights under chapter
 21 89 [-]; and



1 (3) Electing to remain in the employee's position until
2 the expiration of the applicable collective bargaining
3 agreement."

4 SECTION 4. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun before its effective date.

7 SECTION 5. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Separation Benefits; Elections

Description:

Amends Act 1, SSLH 2016, as codified, by offering an employee the further option of electing to remain in the employee's position until the expiration of the applicable collective bargaining agreement. (HB76 HD1)

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