
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 legislature finds that the United States
2 Peace Corps has had many individuals with the potential to serve
3 in other federal, state, or local government sectors once their
4 service is completed. Since many returned Peace Corps
5 volunteers have teaching backgrounds as well as unique work or
6 life experiences, they would be valuable to add to the state and
7 county network of employees, including those in the department
8 of education. As Hawaii is currently experiencing a shortage of
9 teachers, former returned Peace Corps volunteers have the
10 potential to fill teaching vacancies in the State.

11 Having served in and experienced life in other countries,
12 returned Peace Corps volunteers are able to add a unique global
13 perspective that could be beneficial to the teaching profession.
14 Allowing returned Peace Corps volunteers to earn service credit
15 in the employees' retirement system for their time in the Peace
16 Corps would serve as an incentive for them to remain in Hawaii
17 for several years and continue to accrue benefits.



1 The purpose of this Act is to allow former Peace Corps
2 volunteers to earn service credit for their time served in the
3 Peace Corps, similar to those benefits earned by people who have
4 served in the United States military.

5 SECTION 2. Section 88-51, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "**§88-51 Membership service generally.** Membership service
8 includes:

- 9 (1) Service by an employee rendered since becoming a
10 member;
- 11 (2) Service rendered prior to becoming a member but
12 subsequent to:
 - 13 (A) January 1, 1926, by an employee of the State; or
 - 14 (B) January 1, 1928, by an employee of any county;
- 15 (3) Service as an employee of the federal government where
16 the function carried on by the federal government has
17 been transferred to the State or any county, or where
18 the employee has been transferred to the federal
19 government and subsequently retransferred to the State
20 or any county;



(4) Service rendered by an employee in the office of the delegate to Congress from Hawaii, or service rendered by an employee in the office of a representative or a senator to Congress from the State; provided that:

(A) The employee was a member of the system immediately preceding the time the employee renders the service;

(B) The employee reenters the service of the State or county within one year after termination of the service; and

(C) The employee has, to the satisfaction of the board, waived the employee's right to any credit under the Civil Service Retirement Act (5 U.S.C.A. sections 8301 to 8351), as amended, or the Federal Employees Retirement System Act (5 U.S.C.A. sections 8401 to 8479), as amended, based upon the service;

provided further that credit for this service shall not exceed eight years;

(5) Service as an employee of the Hawaii territorial guard;



1 (6) Service while engaged in professional improvement
2 pursuant to an approved leave of absence for that
3 purpose, with or without pay;

4 (7) Service between the years 1941 and 1947 with federal
5 defense agencies, where the employee was employed by
6 the government before the wartime service, went into
7 defense work at the direction of the employee's
8 employer, and returned to government service at the
9 end of the wartime service; provided that these
10 circumstances shall be verified by evidence
11 satisfactory to the board;

12 (8) Service, not exceeding four years, in the military
13 service of the United States during the period 1941-
14 1949 rendered by an employee who was employed by the
15 Territory or county prior to the employee's induction
16 into the military and who subsequently returned to
17 employment of the Territory or county following the
18 employee's discharge;

19 (9) Service rendered prior to becoming a member as a full-
20 time employee at the Leahi Hospital or Pahala
21 Hospital, now known as Ka'u Hospital, Puunene



Hospital, Waimea Hospital, Waimea, Kauai, Haliimaile
Dispensary, and Paia Hospital and Pioneer Mill
Hospital;

(10) Service rendered prior to becoming a member as a full-
time sheriff or deputy sheriff in the office of the
sheriff;

(11) The period of time when a member was absent from work
because of injuries incurred within the scope of the
member's employment and who has received workers'
compensation benefits prior to July 1, 1967;

(12) Service rendered as a full-time, year-round employee
of the legislature during any legislative session,
except for service rendered as a session employee, as
defined in section 88-54.2, and employed after October
31, 2006;

(13) Service as a school cafeteria manager or worker if
paid by the State regardless of the source of funds
from which paid; provided that twelve months' service
shall be credited for the time the cafeteria manager
or worker was working on a nine-month, ten-month, or
eleven-month schedule during a school year; [and]



(14) Service rendered as a trustee of the office of Hawaiian affairs during the period of July 1, 1993, through June 30, 2002[-]; and

(15) Notwithstanding the moratorium on benefit enhancements established under section 88-99, service rendered as a volunteer in the Peace Corps of the United States pursuant to an approved leave of absence, with or without pay.

Membership service shall only be credited for any period for which the member makes the contributions to the system if required by parts II, VII, and VIII of this chapter."

SECTION 3. Section 88-57, Hawaii Revised Statutes, is amended to read as follows:

"§88-57 Prior service generally. Prior service is credited without cost to the member entitled thereto. Prior service includes:

(1) Service as an employee rendered:

(A) By an employee of the Territory prior to January 1, 1926[-]; or

(B) By an employee of any county prior to January 1, 1928[-];



- 1 (2) Service in a similar capacity paid for by the Republic
2 of Hawaii or by the preceding provisional or
3 monarchial governments[~~7~~];
- 4 (3) All service creditable to the employee under any other
5 retirement system supported wholly or in part by the
6 State at the time the employee became a member of this
7 system[~~7~~];
- 8 (4) Periods of honorable service in the army, navy, marine
9 corps, coast guard, and public health services of the
10 United States at any time between the dates of
11 April 5, 1917, and July 2, 1920, which service
12 necessitated separation at the time of its inception
13 from existing Territorial or county employment[~~7~~];
- 14 (5) Service as an employee during the period from
15 January 1, 1926, to December 31, 1927, in the case of
16 a member who became an employee of the Territory
17 during said period was in the regular employ of any
18 county immediately prior to the time the member became
19 a Territorial employee and was an employee of the
20 Territory on January 1, 1928[~~7~~and];



(6) Notwithstanding the moratorium on benefit enhancements
established under section 88-99, service as a
volunteer in the Peace Corps of the United States
prior to beginning state or county employment; and
~~[(6)]~~ (7) Other areas or periods of service described and
designated in this part to constitute prior service."

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

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

SECTION 6. This Act shall take effect on July 1, 2019.

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H.B. NO. 2496

Report Title:

ERS; Peace Corps; Credited Service

Description:

Expands credited service in the ERS by adding volunteer service in the Peace Corps to both membership service and prior service.

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