
A BILL FOR AN ACT

RELATING TO ALLOWANCE ON SERVICE RETIREMENTS.

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

1 SECTION 1. Section 88-21, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding four new definitions to be appropriately
4 inserted and to read:

5 "Deputy director of the department of law enforcement"
6 means a person appointed by the director of law enforcement to
7 regularly serve as a deputy director of the department of law
8 enforcement.

9 "Director of law enforcement" means the person appointed by
10 the governor to regularly serve as the director of law
11 enforcement.

12 "Sheriff" means a person who serves as the administrator of
13 the sheriff division of the department of law enforcement.

14 "Sheriff division investigator" means a person regularly
15 employed by the department of law enforcement with police powers
16 who hold the personnel class specification of investigator."



1 2. By amending the definition of "law enforcement
2 investigations staff investigators" to read:

3 ""Law enforcement investigations staff investigators" means
4 those employees in the investigations staff office of the
5 department of law enforcement who have been conferred police
6 powers by the director of law enforcement in accordance with
7 section 353C-4 and are in the positions of investigator I to
8 VII[-], including investigators of the department of the
9 attorney general who were transferred to the department of law
10 enforcement as provided in Act 278, Session Laws of Hawaii
11 2022."

12 SECTION 2. Section 88-45, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§88-45 Employee contributions.** After June 30, 1988, each
15 class A and class B member shall contribute seven and eight-
16 tenths per cent of the member's compensation to the annuity
17 savings fund; provided that after June 30, 1989, all
18 firefighters, police officers, corrections officers,
19 investigators of the departments of the prosecuting attorney and
20 of the attorney general, narcotics enforcement investigators,
21 water safety officers not making the election under section 88-



1 271, and law enforcement investigations staff investigators
2 shall contribute twelve and two-tenths per cent of their
3 compensation to the annuity savings fund for service in that
4 capacity; provided further that each class A and class B member
5 who becomes a member after June 30, 2012, shall contribute nine
6 and eight-tenths per cent of the member's compensation to the
7 annuity savings fund; provided further that all firefighters,
8 police officers, corrections officers, investigators of the
9 departments of the prosecuting attorney and of the attorney
10 general, narcotics enforcement investigators, and law
11 enforcement investigations staff investigators who become
12 members after June 30, 2012, shall contribute fourteen and two-
13 tenths per cent of their compensation to the annuity savings
14 fund; provided further that the director of law enforcement, all
15 deputy directors of the department of law enforcement,
16 department of law enforcement investigators, the sheriff, and
17 sheriff division investigators who become members after June 30,
18 2025, shall contribute fourteen and two-tenths per cent of their
19 compensation to the annuity savings fund; for service in that
20 capacity."



1 SECTION 3. 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 officials, and legislative
8 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 law enforcement
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
17 class C member as provided in part VII or to
18 become a class H member as provided in part VIII;

19 (D) The following members in service prior to July 1,
20 2006, including those who are on approved leave



1 of absence, not making the election to become a
2 class H member as provided in part VIII:

3 (i) Members whose salaries are set forth in
4 sections 26-52 and 26-53 and their county
5 counterparts, managing directors or an
6 administrative assistant to the mayor, other
7 county department heads, and agency heads
8 appointed and subject to removal by the
9 mayor;

10 (ii) First deputies appointed by the county
11 attorney and prosecuting attorney;

12 (iii) The county clerk and deputy county clerk of
13 each county;

14 (iv) The directors of the offices of council
15 services of the county of Maui and the city
16 and county of Honolulu;

17 (v) The administrative director of the courts;

18 (vi) The deputy administrative director of the
19 courts;

20 (vii) The executive officer of the labor and
21 industrial relations appeals board; and



(viii) The executive officer of the Hawaii labor relations board;

(E) All former class A retirants who return to employment after June 30, 1984, requiring the retirant's active membership; ~~and~~

(F) All former class B retirants who return to employment requiring the retirant's active membership, except for:

(i) Former retirants who return in the positions of police officer or firefighter;

(ii) Former retirants who were members on July 1, 1957, who elected not to be covered by the Social Security Act; and

(iii) Former retirants who were in positions to which coverage under Title II of the Social Security Act was not extended who entered membership after June 30, 1957, but before January 1, 2004; and

(G) The following members of the department of law enforcement, effective July 1, 2025:

(i) The director of law enforcement;



- 1 (ii) The deputy directors of the department of
- 2 law enforcement;
- 3 (iii) Department of law enforcement investigators;
- 4 (iv) The sheriff; and
- 5 (v) Sheriff division investigators;

6 (2) Class B shall consist of:

- 7 (A) Police officers and firefighters, including
- 8 former retirants who return to service in such
- 9 capacity;
- 10 (B) All employees, including former retirants, who
- 11 were members on July 1, 1957, who elected not to
- 12 be covered by the Social Security Act; and
- 13 (C) All employees, including former retirants, in
- 14 positions to which coverage under Title II of the
- 15 Social Security Act is not extended, who enter
- 16 membership after June 30, 1957, but before
- 17 January 1, 2004, not making the election to
- 18 become a class H member as provided in part VIII;

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

20 (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
18 88-96(b);

19 (C) Make the election to become a class H member as
20 provided in part VIII; or



1 (D) Are former class H retirants who return to
2 service requiring the retirant's active
3 membership."

4 SECTION 4. Section 88-74, Hawaii Revised Statutes, is
5 amended as follows:

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

7 "(b) If a member, who became a member before July 1, 2012,
8 has attained age fifty-five, the member's maximum retirement
9 allowance shall be two per cent of the member's average final
10 compensation multiplied by the total number of years of the
11 member's credited service as a class A and class B member,
12 excluding any credited service as a judge, elective officer, or
13 legislative officer, plus a retirement allowance of one and one-
14 fourth per cent of the member's average final compensation
15 multiplied by the total number of years of prior credited
16 service as a class C member, plus a retirement allowance of two
17 per cent of the member's average final compensation multiplied
18 by the total number of years of prior credited service as a
19 class H member; provided that:

20 (1) After June 30, 1968, if the member has at least ten
21 years of credited service of which the last five or



1 more years prior to retirement is credited service as
2 a firefighter, police officer, or an investigator of
3 the department of the prosecuting attorney;

4 (2) After June 30, 1977, if the member has at least ten
5 years of credited service of which the last five or
6 more years prior to retirement is credited service as
7 a corrections officer;

8 (3) After June 16, 1981, if the member has at least ten
9 years of credited service of which the last five or
10 more years prior to retirement is credited service as
11 an investigator of the department of the attorney
12 general;

13 (4) After June 30, 1989, if the member has at least ten
14 years of credited service of which the last five or
15 more years prior to retirement is credited service as
16 a narcotics enforcement investigator;

17 (5) After December 31, 1993, if the member has at least
18 ten years of credited service of which the last five
19 or more years prior to retirement is credited service
20 as a water safety officer;



(6) After June 30, 1994, if the member has at least ten years of credited service, of which the last five or more years prior to retirement are credited service as a law enforcement investigations staff investigator;

(7) After June 30, 2002, if the member:

(A) Has at least ten years of credited service as a firefighter;

(B) Is deemed permanently medically disqualified due to a service related disability to be a firefighter by the employer's physician; and

(C) Continues employment in a class A or B position other than a firefighter; ~~and~~

(8) After June 30, 2004, if the member:

(A) Has at least ten years of credited service as a police officer;

(B) Is deemed permanently medically disqualified due to a service related disability to be a police officer by the employer's physician; and

(C) Continues employment in a class A or B position other than a police officer; and



1 (9) After July 1, 2025, if the member has at least ten
2 years of credited service, of which the last five or
3 more years prior to retirement are credited service as
4 the director of law enforcement, deputy director of
5 the department of law enforcement, the sheriff,
6 department of law enforcement investigator, or sheriff
7 division investigator; provided that the dates listed
8 in paragraphs (1), (2), (3), (4), (5), and (6) shall
9 continue to apply to the retirement for those members
10 already employed as a firefighter, police officer,
11 corrections officer, investigator of the department of
12 the prosecuting attorney, investigator of the
13 department of the attorney general, narcotics
14 enforcement investigator, water safety officer, and
15 public safety investigations staff investigator prior
16 to the enactment of Act 278, Session Laws of Hawaii
17 2022,

18 then for each year of service as a firefighter, police officer,
19 corrections officer, investigator of the department of the
20 prosecuting attorney, investigator of the department of the
21 attorney general, narcotics enforcement investigator, water



1 safety officer, director of law enforcement, deputy director of
2 the department of law enforcement, the sheriff, or sheriff
3 division investigator, or law enforcement investigations staff
4 investigator, the retirement allowance shall be two and one-half
5 per cent of the member's average final compensation. The
6 maximum retirement allowance for those members shall not exceed
7 eighty per cent of the member's average final compensation. If
8 the member has not attained age fifty-five, the member's
9 retirement allowance shall be computed as though the member had
10 attained age fifty-five, reduced for age as provided in
11 subsection (e)."

12 2. By amending subsections (e) and (f) to read:

13 "(e) Except as provided in subsections (b), (c), and (d),
14 if a member, who became a member before July 1, 2012, has not
15 attained age fifty-five at the date of retirement, the member's
16 retirement allowance shall be reduced, for each month the
17 member's age at the date of retirement is below age fifty-five,
18 as follows:

19 (1) 0.4166 per cent for each month below age fifty-five
20 and above age forty-nine and eleven months; plus



1 (2) 0.3333 per cent for each month below age fifty and
2 above age forty-four and eleven months; plus
3 (3) 0.2500 per cent for each month below age forty-five
4 and above age thirty-nine and eleven months; plus
5 (4) 0.1666 per cent for each month below age forty;
6 provided that no reduction shall be made if the member has at
7 least twenty-five years of credited service as a firefighter,
8 police officer, corrections officer, investigator of the
9 department of the prosecuting attorney, investigator of the
10 department of the attorney general, narcotics enforcement
11 investigator, director of law enforcement, deputy director of
12 the department of law enforcement, the sheriff, sheriff division
13 investigator, law enforcement investigations staff investigator,
14 sewer worker, or water safety officer, of which the last five or
15 more years prior to retirement is credited service in these
16 capacities.

17 (f) If a member, who becomes a member after June 30, 2012,
18 has attained age sixty, the member's maximum retirement
19 allowance shall be one and three-fourths per cent of the
20 member's average final compensation multiplied by the total
21 number of years of the member's credited service as a class A



1 and class B member, excluding any credited service as a judge,
2 elective officer, or legislative officer, plus a retirement
3 allowance of one and one-fourth per cent of the member's average
4 final compensation multiplied by the total number of years of
5 prior credited service as a class C member, plus a retirement
6 allowance of one and three-fourths per cent of the member's
7 average final compensation multiplied by the total number of
8 years of prior credited service as a class H member; provided
9 that:

- 10 (1) If the member has at least ten years of credited
11 service of which the last five or more years prior to
12 retirement is credited service as a firefighter,
13 police officer, or an investigator of the department
14 of the prosecuting attorney;
- 15 (2) If the member has at least ten years of credited
16 service of which the last five or more years prior to
17 retirement is credited service as a corrections
18 officer;
- 19 (3) If the member has at least ten years of credited
20 service of which the last five or more years prior to



1 retirement is credited service as an investigator of
2 the department of the attorney general;

3 (4) If the member has at least ten years of credited
4 service of which the last five or more years prior to
5 retirement is credited service as a narcotics
6 enforcement investigator;

7 (5) If the member has at least ten years of credited
8 service, of which the last five or more years prior to
9 retirement is credited service as a law enforcement
10 investigations staff investigator;

11 (6) If the member has at least ten years of credited
12 service, of which the last five or more years prior to
13 retirement is credited service as a director of law
14 enforcement, deputy director of the department of law
15 enforcement, the sheriff, or sheriff division
16 investigator;

17 [~~6~~] (7) If the member:

18 (A) Has at least ten years of credited service as a
19 firefighter;



1 (B) Is deemed permanently medically disqualified due
2 to a service related disability to be a
3 firefighter by the employer's physician; and

4 (C) Continues employment in a class A or class B
5 position other than a firefighter; and

6 ~~[-(7)]~~ (8) If the member:

7 (A) Has at least ten years of credited service as a
8 police officer;

9 (B) Is deemed permanently medically disqualified due
10 to a service related disability to be a police
11 officer by the employer's physician; and

12 (C) Continues employment in a class A or class B
13 position other than a police officer,

14 then for each year of service as a firefighter, police officer,
15 corrections officer, investigator of the department of the
16 prosecuting attorney, investigator of the department of the
17 attorney general, narcotics enforcement investigator, director
18 of law enforcement, deputy director of the department of law
19 enforcement, the sheriff, department of law enforcement
20 investigator, or sheriff division investigator, or law
21 enforcement investigations staff investigator, the retirement



1 allowance shall be two and one-fourth per cent of the member's
2 average final compensation. The maximum retirement allowance
3 for those members shall not exceed eighty per cent of the
4 member's average final compensation. If the member has not
5 attained age sixty, the member's retirement allowance shall be
6 computed as though the member had attained age sixty, reduced
7 for age as provided in subsection (i)."

8 3. By amending subsection (i) to read:

9 "(i) Except as provided in subsections (f), (g), and (h),
10 if a member, who becomes a member after June 30, 2012, has not
11 attained age sixty at the date of retirement, the member's
12 retirement allowance shall be reduced, for each month the
13 member's age at the date of retirement is below age sixty, as
14 follows:

15 (1) 0.4166 per cent for each month below age sixty and
16 above age fifty-four and eleven months; plus

17 (2) 0.3333 per cent for each month below age fifty-five
18 and above age forty-nine and eleven months; plus

19 (3) 0.2500 per cent for each month below age fifty and
20 above age forty-four and eleven months; plus

21 (4) 0.1666 per cent for each month below age forty-five;



1 provided that no reduction shall be made if the member has
2 attained the age of fifty-five and has at least twenty-five
3 years of credited service as a firefighter, police officer,
4 corrections officer, investigator of the department of the
5 prosecuting attorney, investigator of the department of the
6 attorney general, narcotics enforcement investigator, director
7 of law enforcement, deputy director of the department of law
8 enforcement, the sheriff, department of law enforcement
9 investigator, or sheriff division investigator, law enforcement
10 investigations staff investigator, sewer worker, water safety
11 officer, or emergency medical technician, of which the last five
12 or more years prior to retirement is credited service in these
13 capacities."

14 SECTION 5. Section 88-122, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) Based on regular interest and such mortality and
17 other tables as are adopted by the board of trustees, the
18 actuary engaged by the board, on the basis of successive annual
19 actuarial valuations, shall determine the employer's normal cost
20 and accrued liability contributions for each fiscal year



1 beginning July 1 separately for the following two groups of
2 employees:

- 3 (1) Police officers, firefighters, and corrections
4 officers~~[, and]~~, director of law enforcement, deputy
5 directors of the department of law enforcement, the
6 sheriff, department of law enforcement investigators,
7 or sheriff division investigators; and
8 (2) All other employees."

9 SECTION 6. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 7. This Act shall take effect on July 1, 3000.



Report Title:

Department of Law Enforcement; Retirement for Public Officers and Employees; Allowances; Contributions; Pension and Retirement Systems

Description:

Includes certain law enforcement administrators and employees of the Department of Law Enforcement as class A members of the pension and retirement systems and provides guidance for the computation of retirement benefits similar to police officers. Effective 07/01/3000. (HD1)

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