

A Bill for an Act Relating to the Bonus for Pensioners.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 88-11, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 88-11 Bonus; amounts available.** Except as herein provided, every pension payable under the employees' retirement system or payable pursuant to any law of the State, or by any county or independent public board or commission, shall be increased by a bonus for each month as follows:

- (1) Effective July 1, 1973, \$72.05 per month to those retirants and pensioners who had, before July 1, 1966, ten or more years of service; provided, that any member who is retired because of physical or mental disability due to any injury or disease incurred while in the performance of his duty as a public employee shall be entitled to receive the bonus payment without meeting the minimum service requirements;
- (2) Effective July 1, 1973 \$28.82 per month additional to the above bonus to those retirants or pensioners who retired before July 1, 1945;
- (3) Effective July 1, 1973 \$28.82 per month additional to the above bonus or bonuses to those retirants or pensioners who have had twenty-one or more years of service;
- (4) Effective July 1, 1973 if the pension as increased by the bonus or bonuses does not equal \$187.33 per month, the bonus shall be further increased by such sum, not in excess of \$28.82, as will bring the total of the pension and bonus to \$187.33 per month; provided, that where the dependents of a deceased pensioner are receiving pension by reasons of his death, the total only of all amounts paid to the dependents shall be so increased, and the increase herein shall be shared by them in proportion to the respective amount of pension receivable by them exclusive of this increase;
- (5) In the case of any retirement allowance for service commencing after June 30, 1965, pursuant to subdivision (1) or (3) of section 88-74, the only bonus payable shall be in the amount by which the benefit payable under the subdivisions is less than the bonus as set forth above, provided, that in no case shall a person who retires after June 30, 1965, receive less under the service and ordinary disability retirement system benefits, plus the bonus payable under this section than he would have received if subdivision (5) had not been enacted;
- (6) Any provisions of this section to the contrary notwithstanding, there shall be paid to every person who on June 30, 1965, was receiving a retirement allowance from the system or other pension payable under or pursuant to the law of the State or by any

county or independent board or commission, a special cost of living bonus which shall be paid in the following manner:

- (A) On January 1, 1966, seven and one-half per cent of the retirement allowance or pension;
  - (B) On July 1, 1969, an additional ten per cent of the retirement allowance or pension;
  - (C) On July 1, 1970, an additional ten per cent of the retirement allowance or pension;
  - (D) On July 1, 1973, an additional five and one-half per cent of the retirement allowance or pension;
- (7) Any provision of this section to the contrary notwithstanding, there shall be paid to every person who retired between July 1, 1965 and June 30, 1970, and who, on June 30, 1974, was receiving a retirement allowance from the system or other pension payable under or pursuant to the law of the State or by any county or independent board or commission, a special cost of living bonus which shall be paid in the following manner: On July 1, 1974, five and one-half per cent of the retirement allowance or pension."

SECTION 2. Section 88-14, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 88-14 Bonus; authority to pay.** The board of trustees of the employees' retirement system shall pay the bonus to pensioners under the system, except those pensioners under the system who are retired employees of the respective counties; the comptroller shall pay the bonus to all state pensioners who are not under the system; and the appropriate officer of each county and each independent board or commission hereby affected, shall pay the bonus granted to pensioners whose pensions are payable by the respective counties, boards, and commissions.

The appropriate officer of each county upon certification to the council by the employees' retirement system of the amounts necessary to meet payments of the bonus to pensioners of the system who are retired employees of the respective counties, shall also remit the amounts to the system. Remittances shall be made not later than December 31 of each year and shall be sufficient for twelve months' payments to the pensioners certified to the council."

SECTION 3. Section 88-16, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 88-16 Bonus; appropriation.** Sufficient funds shall be appropriated to the employees' retirement system from the general revenues of the State not otherwise appropriated, to pay the bonus to all pensioners under the system except those pensioners who are retired employees of the respective counties. Sufficient funds shall be appropriated to the state department or agency hereby affected from the general revenues of the State not otherwise appropriated, to pay the bonus to those state pensioners not under the system. The council of each county, and each independent board or commission affected shall appropriate the funds to pay the bonus to pensioners

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whose pensions are payable by their respective counties, boards, and commissions as well as to pensioners of the employees' retirement system who are retired employees of their respective counties."

SECTION 4. Section 88-109, Hawaii Revised Statutes, is amended to read:

**"Sec. 88-109 Funds of the system.** The assets of the system are assigned to the following funds hereby created:

- (1) The annuity savings fund;
- (2) The pension accumulation fund;
- (3) The pension bonus fund;
- (4) The post retirement fund;
- (5) The expense fund; and
- (6) The minimum pension fund."

SECTION 5. Part II of chapter 88, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**"Sec. 88- Pension bonus fund.** The pension bonus fund shall be the fund to which shall be credited all moneys provided by the State and counties for the purpose of bonus payments and from which shall be paid the bonuses to pensioners under the system in accordance with sections 88-11 to 88-17."

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii to be expended by the department of budget and finance the sum of \$510,000 or so much thereof as may be necessary, for the purposes of this Act.

SECTION 7. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.\*

SECTION 8. This Act shall take effect on July 1, 1974.

(Approved June 13, 1974.)

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\*Edited accordingly.