

ACT 178

S.B. NO. 637

A Bill for an Act Relating to the Employees Retirement System of the State of Hawaii.

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

SECTION 1. Section 88-74, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 88-74 Allowance on service retirement.** Upon retirement for service, a member shall receive a retirement allowance as follows:

- (1) If the member has attained the age of fifty-five, a retirement allowance of one-fiftieth of the average final compensation of the member multiplied by the total number of years of his credited service; provided that after June 30, 1968, if the member has at least ten years of credited service of which the last five or more years prior to retirement is credited service as a fireman or policeman; and provided that after June 30 following the date of actual transfer of the county jails by executive order of the governor, if the member has at least ten years of credited service of which the last five or more years prior to retire-

ment is credited service as a corrections officer, then for each year of service as a fireman, a policeman or a corrections officer, the retirement allowance shall be two and one-half per cent of his average final compensation; provided further, that the maximum retirement allowance for such a member shall not exceed eighty per cent of his average final compensation. If the member has not attained the age of fifty-five, his retirement allowance shall be computed as though he had attained age fifty-five, reduced in accordance with factors of actuarial equivalence adopted by the board upon the advice of the actuary; provided that no such reduction shall be made if the member has at last twenty-five years of credited service of which the last five or more years prior to retirement is credited service as a fireman, policeman or corrections officer.

- (2) If the member has made voluntary additional contributions for the purchase of an additional annuity and has not applied for the refund thereof as permitted by section 88-72, he may accept such refund at time of retirement or, in lieu thereof, receive in addition to the retirement allowance provided in (1) hereof, an annuity which is the actuarial equivalent of such additional contributions with regular interest.
- (3) If the member has credited service as a judge or an elective officer, his retirement allowance shall be computed on the following basis:
  - (A) Irrespective of age, for each year of credited service as a judge or an elective officer, three and one-half per cent of his average final compensation in addition to an annuity which is the actuarial equivalent of his accumulated contributions allocable to the period of such service; and
  - (B) For all other credited service as provided in subsections (1) and (2) hereof. No allowance shall exceed seventy-five per cent of the average final compensation. If the allowance exceeds this limit, it shall be adjusted by reducing the annuity included in (A) of this subsection and the portion of the accumulated contributions specified in the same subsection as may be in excess of the requirements of the reduced annuity shall be returned to the member.

The allowance for judges under this section, together with the retirement allowance provided by the federal government for similar service, shall in no case exceed seventy-five per cent of average final compensation."

SECTION 2. 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 3. This Act shall take effect upon its approval.

(Approved June 2, 1975.)

\*Edited accordingly.