

ACT 138

S.B. NO. 2925

A Bill for an Act Relating to County Contributions to the Employees' Retirement System.

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

SECTION 1. All special and revolving funds were evaluated by the auditor to determine whether their existence was justified. Many funds were recommended by the auditor to be repealed or discontinued. The departments and the legislature concurred with the auditor's recommendations on certain funds.

The purpose of this Act is to repeal the county special fund for certification and payment of county contributions to the employees' and retirement system pursuant to section 11 of Act 280, Session Laws of Hawaii 1993.

SECTION 2. Section 88-126, Hawaii Revised Statutes, is amended to read as follows:

**"§88-126 Certification and payment of county contributions to system.** Except as otherwise provided in section 88-118, the board of trustees shall certify annually to the councils of each county and to the director of finance [and comptroller] of the State the amount due from [such] each county on account of its employees who are members of the system[, segregated between the respective funds of the county out of which the compensation the employees is paid and the director of finance shall pay the amount to the board, and the board shall credit the amount to the appropriate fund or funds of the system. The payments shall be made out of the special fund for the county hereinafter provided for, upon warrants of the comptroller]. The [councils] council of each county shall include in its annual budget [for the fixing of the real property tax rate for the

county<sup>1</sup> under the item designation as “(5) county contributions to the employees’ retirement system of the State”,] the amount certified to it by the board [as due from the county for the year, including in the budget proper deductions from or additions to such amount as hereinafter provided and offsetting against such amount, in the budget, the amount of other funds, if any, by the board estimated to be available for and intended to be applied on account of the total amount due from the county]. The amount shall be paid by the county [into the State treasury before April 2 of the calendar year out of county funds available for the payment of payrolls, on the basis of the segregation certified to the county by the board, and the State director of finance shall place the amount in a special fund for the county.] before October 1 and April 1 of each fiscal year. If the amount or any portion thereof is not paid by the county before [April 2] October 1 and April 1 of each fiscal year, the director of finance shall retain out of the real property tax money collected for the year a sum equal to the amount or portion thereof not so paid. All the moneys retained and collected by the director of finance shall be deposited in [a special fund for such county. Payments on account of the obligations of each county shall be made out of the fund.] the appropriate fund or funds of the system. The amount of any [excess or] deficiency [in the fund] in meeting the obligations shall be [subtracted from or] added to[, as the case may be,] the amount due from the county for the succeeding year. [The comptroller and director of finance shall, in the month of January of each year, transmit to the treasurer or director of finance of each county a joint statement showing the amounts of receipts by and payments out of the special fund for the county and the amount of the excess or deficiency, if any.]”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 8, 1994.)

**Note**

1. Prior to amendment “,” appeared here.