

ACT 23

S.B. NO. 1036

A Bill for an Act Relating to Employees' Retirement System Personnel.

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

SECTION 1. Chapter 88, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§88- Investment personnel. The board may, through its executive director, appoint one or more investment officers, under the direction of the chief investment officer, prescribing their duties and qualifications and fixing their salaries, who shall be exempt from chapter 76.”

SECTION 2. Section 88-9, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

- “(b) Any retirant employed in violation of this section shall:
- (1) Reimburse the system for any retirement allowance or other benefit received from the system during the period or periods of employment in violation of this section, plus interest thereon at the rate of eight per cent per annum;
 - (2) Pay the system an amount of money equal to the employee contributions that would otherwise have been paid during the period or periods of employment in violation of this section, plus interest thereon at the rate of eight per cent per annum; and
 - (3) Contribute toward reimbursement of the system for administrative expenses incurred in responding to the situation, to the extent that

the retirant is determined by the ~~[administrator]~~ executive director to be at fault.

- shall:
- (c) Any employer that employs a retirant in violation of this section
 - (1) Pay to the system an amount of money equal to the employer contributions that would otherwise have been paid for the period or periods of employment in violation of this section, plus interest thereon at the rate of eight per cent per annum; and
 - (2) Contribute toward reimbursement of the system for administrative expenses incurred in responding to the situation, to the extent that the employer is determined by the ~~[administrator]~~ executive director to be at fault.”

SECTION 3. Section 88-29, Hawaii Revised Statutes, is amended as follows:

“**§88-29 Officers, employees, legal adviser.** The board shall elect from its membership a chairperson, and by a majority vote of all its members, shall appoint an ~~[administrator]~~ executive director and a chief investment officer who shall be exempt from chapter 76 and serve under and at the pleasure of the board. Effective July 1, 2007, the salaries of the ~~[administrator]~~ executive director and chief investment officer shall be set by the board. The board shall engage actuarial and other services as shall be required to transact the business of the system. The compensation for all services engaged by the board, and all other expenses of the board necessary for the operation of the system, shall be paid at rates and in amounts the board shall approve.

The attorney general or an appointed representative may serve as legal adviser to the board or the board may select its own legal counsel.”

SECTION 4. Section 88-90.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Subject to the recommendation of the actuary appointed under section 88-29, the board may adopt, by motion at any duly noticed meeting of the board, actuarial tables, factors, and assumptions for the purposes of parts II, VII, and VIII. The tables, factors, and assumptions that are used to compute benefits shall be in writing and certified by the ~~[administrator]~~ executive director.”

SECTION 5. Section 88-211, Hawaii Revised Statutes, is amended by amending the definition of “state agency” to read as follows:

- “(4) The term “state agency” means the ~~[administrator]~~ executive director of the state employees’ retirement system;”

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act, upon its approval, shall take effect on July 1, 2013.

(Approved April 18, 2013.)

Note

1. Edited pursuant to HRS §23G-16.5.