



GOV. MSG. NO. 501

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

March 5, 2007

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on March 5, 2007, the following bill was signed into law:

HB1073

A BILL FOR AN ACT RELATING TO THE
EMPLOYEES' RETIREMENT SYSTEM.
(ACT 002)

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE

A BILL FOR AN ACT

RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.

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

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

4 "§88- Session employees of the legislature; exempt from
5 mandatory enrollment. (a) Notwithstanding section 88-42 or any
6 other section in part II, VII, or VIII, any person who is
7 employed as a session employee by the legislature or any
8 legislative service agency after October 31, 2006, to provide
9 services during any session of the legislature and who is not
10 subject to section 88-54 shall be excluded from membership in
11 the employees' retirement system throughout the person's
12 employment as a session employee.

13 (b) For the purposes of this section, "session employee"
14 means a person who is not subject to section 88-54 and who is
15 employed by the legislature or any legislative service agency to
16 provide services during any session of the legislature,
17 including a reasonable period immediately prior to and after



1 that session as the legislature and legislative service agencies
2 shall determine."

3 SECTION 2. Section 88-21, Hawaii Revised Statutes, is
4 amended by amending the definition of "employee" to read as
5 follows:

6 ""Employee": any employee or officer of the State or any
7 county, including inspectors, principals, teachers and special
8 teachers, regularly employed in the public schools, cafeteria
9 managers and cafeteria workers, apprentices and on-the-job
10 trainees whether or not supported in whole or in part by any
11 federal grants, members of the legislature and other elective
12 officers, including the trustees of the office of Hawaiian
13 affairs, year-round legislative employees who are employed on a
14 full-time basis [~~during and between sessions~~], probationary and
15 provisional employees, any employee of the educational nonprofit
16 public corporation as provided in section 88-49.7, per diem
17 employees and others who are made eligible by reason of their
18 employment to membership in the system by or pursuant to any
19 other provision of law, but excluding:

20 (1) Per diem employees who elect to withdraw or not to
21 become members as provided in section 88-42;



- 1 (2) Members of the legislature who do not elect to be
2 members as provided in section 88-42;
- 3 (3) Session employees of the legislature employed after
4 October 31, 2006, in accordance with section 88- ;
5 and
- 6 [~~3~~] (4) Persons excluded by rules of the board pursuant
7 to section 88-43.

8 An individual is an employee during the period of a leave
9 of absence if the individual is in service, as defined in this
10 part, during the period of the leave of absence and the board
11 shall determine who are employees within the meaning of this
12 part."

13 SECTION 3. Section 88-51, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§88-51 Membership service generally.** Membership service
16 includes:

- 17 (1) Service by an employee rendered since becoming a
18 member;
- 19 (2) Service rendered prior to becoming a member but (A)
20 subsequent to January 1, 1926, by an employee of the
21 State or (B) subsequent to January 1, 1928, by an
22 employee of any county;



1 (3) Service as an employee of the federal government where
2 the function carried on by the government has been
3 transferred to the State or any county, or where the
4 employee has been transferred to the federal
5 government and subsequently retransferred to the State
6 or any county;

7 (4) Service rendered by an employee in the office of the
8 delegate to Congress from Hawaii, or service rendered
9 by an employee in the office of a representative or a
10 senator to Congress from the State; provided that (A)
11 the employee was a member of the system immediately
12 preceding the time the employee renders such service;
13 (B) the employee reenters the service of the State or
14 county within one year after termination of such
15 service; and (C) the employee has, to the satisfaction
16 of the board of trustees, waived the employee's right
17 to any credit under the Civil Service Retirement Act
18 (5 U.S.C.A. 2251) based upon such service; provided
19 further that credit for such service shall not exceed
20 eight years;

21 (5) Service as an employee of the Hawaii territorial
22 guard;



- 1 (6) Service while engaged in professional improvement
2 pursuant to an approved leave of absence for such
3 purpose, with or without pay;
- 4 (7) Service between the years 1941 and 1947 with federal
5 defense agencies, where the employee was employed by
6 the government before the wartime service, went into
7 defense work at the direction of the employee's
8 employer, and returned to government service at the
9 end of the wartime service; provided that these
10 circumstances shall be verified by evidence
11 satisfactory to the board of trustees;
- 12 (8) Service, not exceeding four years, in the military
13 service of the United States during the period 1941-
14 1949 rendered by an employee who was employed by the
15 Territory or county prior to the employee's induction
16 into the military and who subsequently returned to
17 employment of the Territory or county following the
18 employee's discharge;
- 19 (9) Service rendered prior to becoming a member as a full-
20 time employee at the Leahi Hospital or Pahala
21 Hospital, now known as Ka'u General Hospital, Puunene
22 Hospital, Waimea Hospital, Waimea, Kauai, Haliimaile



1 Dispensary, and Paia Hospital and Pioneer Mill
2 Hospital;

3 (10) Service rendered prior to becoming a member as a full-
4 time sheriff or deputy sheriff in the office of the
5 sheriff;

6 (11) The period of time when a member was absent from work
7 because of injuries incurred within the scope of the
8 member's employment and who has received workers'
9 compensation benefits prior to July 1, 1967;

10 (12) Service rendered as [~~an~~] a full-time, year-round
11 employee of the legislature during any legislative
12 session[+], except for service rendered as a session
13 employee, as defined in section 88- , and employed
14 after October 31, 2006;

15 (13) Service as a school cafeteria manager or worker if
16 paid by the State regardless of the source of funds
17 from which paid; provided that twelve months' service
18 shall be credited for the time such a person was
19 working on a nine-month schedule during a school year;
20 and



H.B. NO. 1073

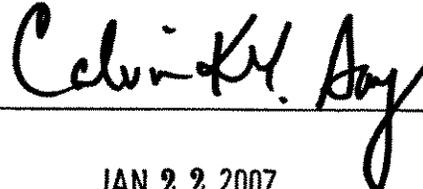
1 (14) Service rendered as a trustee of the office of
 2 Hawaiian affairs during the period of July 1, 1993,
 3 through June 30, 2002.

4 Membership service shall only be credited for any period
 5 for which the member makes the required contributions to the
 6 system."

7 SECTION 4. Statutory material to be repealed is bracketed
 8 and stricken. New statutory material is underscored.

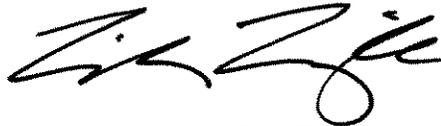
9 SECTION 5. This Act shall take effect upon its approval
 10 and shall apply retroactively to all session employees of the
 11 legislature and legislative service agencies employed after
 12 October 31, 2006.

13 INTRODUCED BY:



JAN 22 2007

APPROVED this day of ,2007



GOVERNOR OF THE STATE OF HAWAII



H.B. NO. 1073

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INTRODUCED BY:

Calvin H. Ay

JAN 22 2007

