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# A BILL FOR AN ACT

RELATING TO THE RE-EMPLOYMENT OF RETIREES.

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

1           SECTION 1. The purpose of this Act is to allow state and  
2 county governments to rehire retired employees as permanent  
3 workers without the retirees incurring any negative impact on  
4 their normal retirement benefits.

5           As of September 30, 2006, an estimated ten per cent of  
6 state public employees are eligible to retire and by fiscal year  
7 2011 the figure is anticipated to rise to twenty-six per cent.  
8 As the baby boomers begin to retire, vacancies in government  
9 employment will continue to increase. It is estimated that by  
10 the year 2011, one out of every four residents in our State will  
11 be over sixty-five years old.

12           Based on these statistics, it is imperative that state and  
13 county governments address this employment vacancy issue.  
14 Therefore, it is the intent of the legislature that this  
15 temporary measure to allow the state and county governments to  
16 develop plans to address filling these employment vacancies be  
17 enacted.



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

4 "§88- Re-employment of state and county retirants. (a)  
5 Appointing authorities in state and county governments may  
6 employ a retired state or county public employee, who is  
7 receiving retirement benefits under this chapter, as designated  
8 by the human resources director of the appropriate jurisdiction.  
9 Each jurisdiction shall make employer contributions on the  
10 rehired employee's compensation to the pension accumulation fund  
11 in accordance with section 88-122(e). If the position is a civil  
12 service position, then a retirant subject to this section shall  
13 be recruited and selected for the position following civil  
14 service procedures. To qualify for full-time employment, the  
15 retirant shall have been retired from a state or county public  
16 employee position for at least consecutive calendar  
17 years from the employee's date of retirement. The human  
18 resources director of the appropriate jurisdiction shall certify  
19 that the retiree was hired in accordance with applicable civil  
20 service laws and as provided in this section.

21 (b) Sections 88-21, 88-42.5, 88-43, 88-45, 88-46, 88-98,  
22 88-273, 88-326, and 88-344, and any other law to the contrary



1 notwithstanding, a retired state or county public employee who  
2 is hired by the State or a county under this section:

3 (1) Shall not earn retirement service credit, contribute  
4 to the system, or gain additional system benefits as a  
5 result of the retirant's subsequent employment with  
6 the State or a county;

7 (2) Shall continue to receive the employee's normal  
8 retirement benefits and medical retirement benefits  
9 without penalty; and

10 (3) Shall join the collective bargaining unit of any  
11 included position.

12 (c) This section shall not preclude a retirant from  
13 returning to work and relinquishing the employee's retirement  
14 benefits to earn additional service credit and gain additional  
15 retirement benefits for a future retirement date as may be  
16 allowed by this chapter.

17 (d) For the purposes of this section:

18 "Jurisdiction" means the city and county of Honolulu, the  
19 counties of Hawai'i, Maui, and Kaua'i, the department of  
20 education, the judiciary, the Hawai'i health systems corporation,  
21 the office of Hawaiian affairs, the state executive branch, and  
22 the legislative branches of the state and county governments.



1       "State executive branch" means all the departments of the  
2 executive branch of the state government except the university  
3 of Hawai'i, the Hawai'i health systems corporation, and the  
4 department of education."

5       SECTION 3. Each jurisdiction utilizing the provisions in  
6 section 2 of this Act shall report annually to the legislature  
7 no later than twenty days prior to the convening of the  
8 legislature on the number of positions filled pursuant to this  
9 Act to include, but not be limited to job title, salary, and the  
10 length of time each retirant was hired and other pertinent  
11 information.

12       SECTION 4. New statutory material is underscored.

13       SECTION 5. This Act shall take effect on July 1, 2040, and  
14 shall be repealed on June 30, 2012.



**Report Title:**

State and County Retirees; Re-employment

**Description:**

Authorizes the rehiring of state or county employees who have been retired for at least an unspecified number of consecutive calendar years without affecting the receipt of retirement benefits and without accruing additional credit or benefits.

