A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEES.

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

1	SECT	ION 1. Section 88-63, Hawaii Revised Statutes, is			
2	amended to read as follows:				
3	"[+]	§88-63[]] Credit for unused sick leave. (a) A public			
4	employee	who retires or leaves government service in good			
5	standing prior to January 1, 2011, with sixty days or more of				
6	unused sick leave shall be entitled to additional service credit				
7	in the retirement system as follows:				
8	(1)	An employee with sixty days of unused sick leave to			
9		the employee's credit shall have the employee's years			
10		of service increased by three months for the purpose			
11		of computing the employee's retirement allowance $[-;]$			
12		and			
13	(2)	For each additional twenty days or major fraction			
14	,	thereof of unused sick leave in excess of sixty days			
15		that the employee has to the employee's credit the			
16		employee shall have the employee's years of service			
17		increased by one month for the purpose of computing			
18		the employee's retirement allowance.			

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1	(b)	A pu	blic employee who retires or leaves government			
2	<u>service i</u>	n goo	d standing after December 31, 2010, with sixty			
3	days or more of unused sick leave shall be entitled to					
4	additional service credit in the retirement system an amount					
5	equal to the lesser of:					
6	(1)	The	additional service credit to which the employee			
7		woul	d have been entitled if the employee had retired			
8		<u>or 1</u>	eft government service in good standing on			
9 .		Dece	mber 31, 2010; or			
10	(2)	Addi	tional service credit calculated as follows:			
11		(A)	An employee with sixty days of unused sick leave			
12			to the employee's credit shall have the			
13			employee's years of service increased by three			
14			months for the purpose of computing the			
15			employee's retirement allowance.			
16		<u>(B)</u>	For each additional twenty days or major fraction			
17			thereof of unused sick leave in excess of sixty			
18			days that the employee has to the employee's			
19			credit the employee shall have the employee's			
20			years of service increased by one month for the			
21			purpose of computing the employee's retirement			
22			allowance.			



1	(c) Notwithstanding subsection (a) or (b), a public					
2	employee who enters or returns to service after December 31,					
3	2010 and who retires or leaves government service in good					
4	standing with sixty days or more of unused sick leave shall have					
5	the employee's years of service increased by three months for					
6	the purpose of computing the employee's retirement allowance.					
7	(d) The allowance on service retirement of section 88-74					
8	and the service benefit limitation therein shall not apply to					
9	retirement allowances which exceed such limitations by virtue of					
10	the application of this section in the computation of retirement					
11	allowances and no reduction in such retirement allowances shall					
12	be made on account of such limitations."					
13	SECTION 2. Statutory material to be repealed is bracketed					
14	and stricken. New statutory material is underscored.					
15	SECTION 3. This Act shall take effect upon its approval.					

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INTRODUCED BY

JAN 2 2 2010



Report Title: Retirement Benefits; Sick Leave

Description: Caps retirement service credit allowance for unused sick leave to the amount accrued on December 31, 2010. Limits retirement service credit allowance for unused sick leave for employees hired after January 1, 2011, to three months.

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