

JAN 22 2010

S.B. NO. 2508

## A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEE RETIREMENT BENEFITS.

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- Public employees; forfeiture of benefits;  
conviction of felony. (a) If a court of competent jurisdiction  
finds a public employee guilty of a felony for conduct related  
to the public employee's duties, the court shall order the board  
to withhold all or a portion of the public employee's benefits  
under this chapter and the public employee's benefits or a  
portion thereof shall be forfeited to the credit of the pension  
accumulation fund.

(b) If the felony conviction that results in the  
forfeiture of all or a portion of a public employee's benefits  
pursuant to subsection (a) is overturned on appeal, the public  
employee shall receive back benefits and be returned to the  
benefits the public employee received prior to conviction.

(c) For purposes of this section:



(1) "Public employee" means any public employee of the State or any county, and the political subdivisions and agencies thereof, any civil service or elected employees or officers, and any probationary or provisional employees of the State or county;

(2) Employees covered by chapter 89 shall be entitled to a grievance procedure culminating in a final and binding decision; and

(3) A rebuttable presumption shall arise that the criminal conviction is just and proper cause for the employee's forfeiture of benefits under this chapter."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval and upon the ratification of a constitutional amendment to article XVI, section 2, of the constitution of the State of Hawaii that provides for the forfeiture of retirement benefits



1 for a public employee convicted of a felony.

2

INTRODUCED BY:

*[Handwritten signatures]*



**Report Title:**

Public Employees; Retirement

**Description:**

Provides for forfeiture by public employees of pension benefits for conviction of a felony.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

