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# A BILL FOR AN ACT

RELATING TO THE RETIREMENT OF JUDGES.

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

1           SECTION 1. Section 88-73, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) Any member who became a member before July 1, 2012,  
4 and first earned credited service as a judge after June 30,  
5 1999, [but before July 1, 2012,] and who [has]:

6           (1) Has at least five years of credited service and has  
7           attained age fifty-five; or [has]

8           (2) Has at least twenty-five years of credited service,  
9 shall become eligible to receive a retirement allowance after  
10 the member has terminated service. [Any member who first earned  
11 credited service as a judge after June 30, 2012, and has at  
12 least ten years of credited service and has attained age sixty  
13 or has at least twenty five years of credited service and has  
14 attained age fifty five shall be eligible to receive a  
15 retirement allowance after the member has terminated service.]"

16           SECTION 2. Section 88-74, Hawaii Revised Statutes, is  
17 amended by amending subsections (c) and (d) to read as follows:



1           "(c) If a member, who became a member prior to July 1,  
2 2012, has credited service as a judge, the member's retirement  
3 allowance shall be computed on the following basis:

4           (1) For a member who has credited service as a judge  
5 before July 1, 1999, irrespective of age, for each  
6 year of credited service as a judge, three and one-  
7 half per cent of the member's average final  
8 compensation in addition to an annuity that is the  
9 actuarial equivalent of the member's accumulated  
10 contributions allocable to the period of service;

11           (2) For a member who first earned credited service as a  
12 judge after June 30, 1999, but before July 1, 2012,  
13 for each year of credited service as a judge, three  
14 and one-half per cent of the member's average final  
15 compensation in addition to an annuity that is the  
16 actuarial equivalent of the member's accumulated  
17 contributions allocable to the period of service. If  
18 the member has not attained age fifty-five, the  
19 member's retirement allowance shall be computed as  
20 though the member had attained age fifty-five, reduced  
21 for age as provided in subsection (e);



- 1           (3) For a member who first earned credited service as a  
2           judge after June 30, 2012, for each year of credited  
3           service as a judge, three per cent of the member's  
4           average final compensation in addition to an annuity  
5           that is the actuarial equivalent of the member's  
6           accumulated contributions allocable to the period of  
7           service. If the member has not attained age [~~sixty,~~  
8           fifty-five, the member's retirement allowance shall be  
9           computed as though the member had attained age  
10          [~~sixty,~~ fifty-five, reduced for age as provided in  
11          subsection [~~(i)~~] (e);
- 12          (4) For a judge with other credited service, as provided  
13          in subsection (b). If the member has not attained age  
14          fifty-five, the member's retirement allowance shall be  
15          computed as though the member had attained age fifty-  
16          five, reduced for age as provided in subsection (e);  
17          or
- 18          (5) For a judge with credited service as an elective  
19          officer or as a legislative officer, as provided in  
20          subsection (d).



1 No allowance shall exceed seventy-five per cent of the member's  
2 average final compensation. If the allowance exceeds this  
3 limit, it shall be adjusted by reducing the annuity included in  
4 paragraphs (1), (2), and (3) and the portion of the accumulated  
5 contributions specified in paragraphs (1), (2), and (3) in  
6 excess of the requirements of the reduced annuity shall be  
7 returned to the member upon the member's retirement or paid to  
8 the member's designated beneficiary upon the member's death  
9 while in service or while on authorized leave without pay. The  
10 allowance for judges under this subsection, together with the  
11 retirement allowance provided by the federal government for  
12 similar service, shall in no case exceed seventy-five per cent  
13 of the member's average final compensation.

14 (d) If a member, who became a member before July 1, 2012,  
15 has credited service as an elective officer or as a legislative  
16 officer, the member's retirement allowance shall be derived by  
17 adding the allowances computed separately under paragraphs (1),  
18 (2), (3), (4), (5), and (6) as follows:

19 (1) For a member who has credited service as an elective  
20 officer before July 1, 2012, irrespective of age, for  
21 each year of credited service as an elective officer,



- 1 three and one-half per cent of the member's average  
2 final compensation as computed under section 88-  
3 81(e)(1), in addition to an annuity that is the  
4 actuarial equivalent of the member's accumulated  
5 contributions allocable to the period of service;
- 6 (2) For a member, who first earned credited service as an  
7 elective officer after June 30, 2012, irrespective of  
8 age, for each year of credited service as an elective  
9 officer, three per cent of the member's average final  
10 compensation as computed under section 88-81(e)(1), in  
11 addition to an annuity that is the actuarial  
12 equivalent of the member's accumulated contributions  
13 allocable to the period of service;
- 14 (3) For a member who has credited service as a legislative  
15 officer before July 1, 2012, irrespective of age, for  
16 each year of credited service as a legislative  
17 officer, three and one-half per cent of the member's  
18 average final compensation as computed under section  
19 88-81(e)(2), in addition to an annuity that is the  
20 actuarial equivalent of the member's accumulated  
21 contributions allocable to the period of service;



1 (4) For a member who first earned credited service as a  
2 legislative officer after June 30, 2012, irrespective  
3 of age, for each year of credited service as a  
4 legislative officer, three per cent of the member's  
5 average final compensation as computed under section  
6 88-81(e)(2), in addition to an annuity that is the  
7 actuarial equivalent of the member's accumulated  
8 contributions allocable to the period of service;

9 (5) If the member has credited service as a judge, the  
10 member's retirement allowance shall be computed on the  
11 following basis:

12 (A) For a member who has credited service as a judge  
13 before July 1, 1999, irrespective of age, for  
14 each year of credited service as a judge, three  
15 and one-half per cent of the member's average  
16 final compensation as computed under section 88-  
17 81(e)(3), in addition to an annuity that is the  
18 actuarial equivalent of the member's accumulated  
19 contributions allocable to the period of service;

20 (B) For a member who first earned credited service as  
21 a judge after June 30, 1999, but before July 1,



1           2012, and has attained the age of fifty-five, for  
2           each year of credited service as a judge, three  
3           and one-half per cent of the member's average  
4           final compensation as computed under section 88-  
5           81(e)(3), in addition to an annuity that is the  
6           actuarial equivalent of the member's accumulated  
7           contributions allocable to the period of service.  
8           If the member has not attained age fifty-five,  
9           the member's retirement allowance shall be  
10          computed as though the member had attained age  
11          fifty-five, reduced for age as provided in  
12          subsection (e); and

13          (C) For a member who first earned credited service as  
14          a judge after June 30, 2012, and has attained the  
15          age of [~~sixty,~~ fifty-five], for each year of  
16          credited service as a judge, three per cent of  
17          the member's average final compensation as  
18          computed under section 88-81(e)(3), in addition  
19          to an annuity that is the actuarial equivalent of  
20          the member's accumulated contributions allocable  
21          to the period of service. If the member has not



1           attained age [~~sixty~~,] fifty-five, the member's  
 2           retirement allowance shall be computed as though  
 3           the member had attained age [~~sixty~~,] fifty-five,  
 4           reduced for age as provided in subsection [~~(i)~~]  
 5           (e); and

6           (6) For each year of credited service not included in  
 7           paragraph (1), (2), (3), (4), or (5), the average  
 8           final compensation as computed under section 88-  
 9           81(e)(4) shall be multiplied by two per cent for  
 10          credited service earned as a class A or class H  
 11          member, two and one-half per cent for credited service  
 12          earned as a class B member, and one and one-quarter  
 13          per cent for credited service earned as a class C  
 14          member. If the member has not attained age fifty-  
 15          five, the member's retirement allowance shall be  
 16          computed as though the member had attained age fifty-  
 17          five, reduced for age as provided in subsection (e).

18          The total retirement allowance shall not exceed seventy-five per  
 19          cent of the member's highest average final compensation  
 20          calculated under section 88-81(e)(1), (2), (3), or (4). If the  
 21          allowance exceeds this limit, it shall be adjusted by reducing



1 any annuity accrued under paragraphs (1), (2), (3), (4), and (5)  
2 and the portion of the accumulated contributions specified in  
3 these paragraphs in excess of the requirements of the reduced  
4 annuity shall be returned to the member upon the member's  
5 retirement or paid to the member's designated beneficiary upon  
6 the member's death while in service or while on authorized leave  
7 without pay. If a member has service credit as an elective  
8 officer or as a legislative officer in addition to service  
9 credit as a judge, then the retirement benefit calculation  
10 contained in this subsection shall supersede the formula  
11 contained in subsection (c)."

12 SECTION 3. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act, upon its approval, shall take effect  
15 retroactive to July 1, 2012.



**Report Title:**

Employees' Retirement System; Judges

**Description:**

Corrects errors. Harmonizes age and service requirements for judges who are members of the employees' retirement system with requirements for other contributory plan members. (SD1)

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

