



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

June 29, 2018

**GOV. MSG. NO. 1170**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Twenty-Ninth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Twenty-Ninth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 29, 2018, the following bill was signed into law:

SB2766 SD2 HD1 CD1

RELATING TO THE EMPLOYEES' RETIREMENT  
SYSTEM

**ACT 069 (18)**

Sincerely,

A handwritten signature in black ink, reading "David Y. Ige".

DAVID Y. IGE  
Governor, State of Hawai'i

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# 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. The legislature finds that this Act is  
2 necessary to reduce and control the unfunded liability of the  
3 employees' retirement system of the State of Hawaii and to  
4 prevent future retirement contribution increases. The purpose  
5 of this Act is to clarify that members of the employees'  
6 retirement system eligible to claim service-connected disability  
7 and accidental death benefits must be beneficiaries of the  
8 trust.

9       SECTION 2. Section 88-21, Hawaii Revised Statutes, is  
10 amended by amending the definition of "accidental death" to read  
11 as follows:

12       "\"Accidental death\" [-] means death that is the natural and  
13 proximate result of an accident occurring at some definite time  
14 and place while the member was employed in a position in which  
15 all contributions required to be made to the employees'  
16 retirement system by the employee or the employer, or both, have  
17 been made, was in the actual performance of duty, or due to the



1 result of some occupational hazard, and not caused by wilful  
2 negligence on the part of the member."

3 SECTION 3.. Section 88-79, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Under rules the board of trustees may adopt, upon  
6 application of a member, or the person appointed by the family  
7 court as guardian of an incapacitated member, any member while  
8 employed in a position in which all contributions required to be  
9 made to the employees' retirement system by the employee or the  
10 employer, or both, have been made, who has been permanently  
11 incapacitated for duty as the natural and proximate result of an  
12 accident occurring while in the actual performance of duty at  
13 some definite time and place, or as the cumulative result of  
14 some occupational hazard, through no wilful negligence on the  
15 member's part, may be retired by the system for service-  
16 connected disability; provided that:

17 (1) In the case of an accident occurring after July 1,  
18 1963, the employer shall file with the system a copy  
19 of the employer's report of the accident submitted to  
20 the director of labor and industrial relations;



1 (2) An application for retirement is filed with the system  
2 within two years of the date of the accident, or the  
3 date upon which workers' compensation benefits cease,  
4 whichever is later;

5 (3) Certification is made by the head of the agency in  
6 which the member is employed, stating the time, place,  
7 and conditions of the service performed by the member  
8 resulting in the member's disability and that the  
9 disability was not the result of wilful negligence on  
10 the part of the member; and

11 (4) The medical board or other entity designated by the  
12 board of trustees certifies that the member is  
13 incapacitated for the further performance of duty at  
14 the time of application and that the member's  
15 incapacity is likely to be permanent."

16 SECTION 4. Section 88-336, Hawaii Revised Statutes, is  
17 amended by amending subsection (a) to read as follows:

18 "(a) Under rules the board of trustees may adopt, upon  
19 application of a class H member, or the person appointed by the  
20 family court as guardian of an incapacitated member, any class H  
21 member, employed in a position in which all contributions



1 required to be made to the employees' retirement system by the  
2 employee or the employer, or both, have been made, who has been  
3 permanently incapacitated for duty as the natural and proximate  
4 result of an accident occurring while in the actual performance  
5 of duty at some definite time and place, or as the cumulative  
6 result of some occupational hazard, through no wilful negligence  
7 on the member's part, may be retired by the system for service-  
8 connected disability; provided that:

9 (1) In the case of an accident occurring after July 1,

10 1963, the employer shall file with the system a copy  
11 of the employer's report of the accident submitted to  
12 the director of labor and industrial relations;

13 (2) An application for retirement is filed with the system  
14 within two years of the date of the accident, or the  
15 date upon which workers' compensation benefits cease,  
16 whichever is later;

17 (3) Certification is made by the head of the agency in  
18 which the member is employed, stating the time, place,  
19 and conditions of the service performed by the member  
20 resulting in the member's disability and that the



1 disability was not the result of wilful negligence on  
2 the part of the member; and

3 (4) The medical board or other entity designated by the  
4 board of trustees certifies that the member is  
5 incapacitated for the further performance of duty at  
6 the time of application and that the member's  
7 incapacity is likely to be permanent."

8 SECTION 5. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 6. This Act shall take effect upon its approval.

APPROVED this 29 day of JUN, 2018




GOVERNOR OF THE STATE OF HAWAII


S.B. No. 2766, S.D. 2, H.D. 1, C.D. 1

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: May 1, 2018  
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the  
Senate of the Twenty-ninth Legislature of the State of Hawai‘i, Regular Session of 2018.

  
President of the Senate

  
Clerk of the Senate

SB No. 2766, SD 2, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2018  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives