



GOV. MSG. NO. 1186

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 24, 2021

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

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First 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 24, 2021, the following bill was signed into law:

HB0670 HD1 SD2

RELATING TO THE EMPLOYEES' RETIREMENT
SYSTEM
ACT 084 (21)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

on JUN 24 2021

HOUSE OF REPRESENTATIVES
THIRTY-FIRST LEGISLATURE, 2021
STATE OF HAWAII

ACT 084
H.B. NO.

670
H.D. 1
S.D. 2

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. Chapter 88, Hawaii Revised Statutes, is amended
2 by adding a new section to subpart C of part II to be
3 appropriately designated and to read as follows:

4 "§88- Forfeiture of benefits; felony convictions. (a)
5 If a member, former member, or retirant is convicted of a felony
6 and the court finds that, by a preponderance of the evidence,
7 the felony is related to the employment of the member, former
8 member, or retirant by the State or any county, the court may
9 decree pursuant to section 706-605(8), a civil penalty of
10 forfeiture by the member, former member, or retirant of one-half
11 of any:

- 12 (1) Interest;
- 13 (2) Hypothetical account balance in excess of the amount
14 representing any employee contributions made by or on
15 behalf of the member, former member, or retirant;
- 16 (3) Pension;
- 17 (4) Annuity; or



1 (5) Retirement allowance,
2 to which the member, former member, or retirant may otherwise be
3 entitled under this chapter; provided that upon the death of the
4 member, former member, or retirant, the designated beneficiary
5 of the member, former member, or retirant may receive the
6 reduced benefits to which the member, former member, or retirant
7 would be entitled under this section; provided further that a
8 designated beneficiary who is also convicted of a felony based
9 on the same set of circumstances as the member, former member,
10 or retirant who were subject to civil penalty under this
11 section, shall not receive any benefits.

12 (b) Upon receipt of a certified copy of the order
13 decreeing forfeiture, the system shall comply with the order and
14 shall reduce, suspend, or deny payment to the member, former
15 member, retirant, or designated beneficiary, if applicable, as
16 provided in the order until such time as the system receives a
17 certified order to:

- 18 (1) Increase, resume, or make payments to the member,
19 former member, retirant, or designated beneficiary; or
20 (2) Quash or reverse the decree of forfeiture.



1 The system shall not be required to make inquiry into the
2 propriety of the order decreeing forfeiture or recoup any
3 payments made to the member, former member, retirant, or
4 designated beneficiary prior to receipt by the system of the
5 order decreeing forfeiture.

6 (c) For the purposes of this section, a felony is "related
7 to the employment" of an employee of the State or a county if
8 the employee uses or attempts to use the employee's official
9 position to commit the felony, including:

10 (1) Felonies in which state or county time, equipment, or
11 other facilities are used in the commission of the
12 felony;

13 (2) Bribery;

14 (3) Embezzlement, theft, or other unlawful taking,
15 receiving, retaining, or failing to account properly
16 for, any property or funds that belong to the State or
17 any county, or any department, bureau, board, or other
18 agency thereof; or

19 (4) Felonies committed against a person over whom the
20 employee, in the course of the employee's duties,
21 exercises custody or supervision.



1 (d) This section shall not impair or diminish benefits
2 accrued prior to the effective date of Act _____, Session Laws
3 of Hawaii 2021.

4 (e) This section shall not apply to felonies committed
5 prior to the effective date of Act _____, Session Laws of Hawaii
6 2021.

7 (f) This section shall not apply to accrued retirement
8 benefits that are non-forfeitable pursuant to sections 88-73(f),
9 88-281(g), and 88-331(f)."

10 SECTION 2. New statutory material is underscored.

11 SECTION 3. This Act shall take effect upon its approval.

APPROVED this 24 day of JUN, 2021



GOVERNOR OF THE STATE OF HAWAII



HB No. 670, HD 1, SD 2

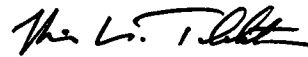
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 22, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives

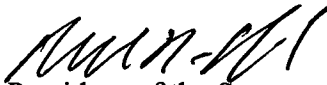


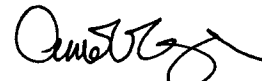
Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 13, 2021
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.


President of the Senate


Clerk of the Senate