

---

---

# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

- 1           SECTION 1. Section 88-8, Hawaii Revised Statutes, is  
2 amended to read as follows:
- 3           "~~§88-8~~ University of Hawaii optional retirement system.
- 4 (a) Notwithstanding any other law to the contrary, the board of  
5 regents may establish without regard to the public notice or  
6 public hearing requirements of chapter 91, a retirement system  
7 separate from the state employees' retirement system to provide  
8 retirement allowances and other benefits for University of  
9 Hawaii employees who are:
- 10           (1) Members of bargaining unit (7); [~~or~~]
- 11           (2) Other employees of the University of Hawaii or the  
12           community college system who are excluded from  
13           bargaining unit (7) pursuant to chapter 89[-]; or
- 14           (3) Athletic coaches and assistant coaches employed by the  
15           University of Hawaii, who are included in bargaining  
16           unit (8) pursuant to chapter 89 and hired on or after  
17           July 1, 2021.



1 (b) The general administration and the responsibility for  
2 the proper operation of the optional retirement system of the  
3 University of Hawaii shall be vested in the board of regents.  
4 The board of regents may manage the optional retirement system  
5 within the University of Hawaii or contract for the management  
6 of the optional retirement system. In fulfillment of its  
7 general administrative responsibilities in establishing an  
8 optional retirement system, the board of regents may utilize the  
9 following:

- 10 (1) State of Hawaii deferred compensation plan authorized  
11 by section 457 of the Internal Revenue Code;  
12 (2) Funds and plans offered as part of the University of  
13 Hawaii's supplemental retirement savings program  
14 authorized by section 403(b) of the Internal Revenue  
15 Code; or  
16 (3) Any additional companies or plan providers to provide  
17 annuity contracts, mutual fund accounts, or similar  
18 investment products.

19 (c) The board of regents may establish vesting periods for  
20 the members of the optional retirement system of the University



1 of Hawaii that are different from those established in this  
2 chapter.

3 (d) The board of regents may establish retirement  
4 allowances and other benefits for the optional retirement system  
5 of the University of Hawaii.

6 (e) The employer's share of the cost of the optional  
7 retirement plan of the optional retirement system of the  
8 University of Hawaii shall not exceed the equivalent amount for  
9 any other group covered by this chapter.

10 (f) Any member or former member of the state employees'  
11 retirement system when the optional retirement system of the  
12 University of Hawaii is established [~~who is also:~~

13 ~~(1) A member of bargaining unit (7); or~~

14 ~~(2) Other employees of the University of Hawaii or the~~

15 ~~community college system who are excluded from~~

16 ~~bargaining unit (7) pursuant to chapter 89,~~

17 ~~shall remain a member of the state employees' retirement system~~

18 ~~unless the person elects in writing on a form prescribed by the~~

19 ~~board of regents to terminate the person's membership. The form~~

20 ~~shall be submitted to the state employees' retirement system no~~

21 ~~later than ninety days after the establishment of the optional~~



1 ~~retirement system of the University of Hawaii.]~~ shall not be  
2 eligible for membership in the optional retirement system.

3 (g) Any person hired after the establishment of the  
4 optional retirement system of the University of Hawaii who is:

5 (1) A member of bargaining unit (7); [~~or~~]

6 (2) Other employees of the University of Hawaii or the  
7 community college system who are excluded from  
8 bargaining unit (7) pursuant to chapter 89[~~7~~];

9 (3) An athletic coach or assistant coach employed by the  
10 University of Hawaii, who is included in bargaining  
11 unit (8) pursuant to chapter 89, and hired on or after  
12 July 1, 2021; or

13 (4) Employees whose eligibility in the optional retirement  
14 system of the University of Hawaii has been authorized  
15 and prescribed by the rules of the board of regents,

16 shall elect to be a member of the state employees' retirement  
17 system or the optional retirement system of the University of  
18 Hawaii. Upon an election the person may not transfer from one  
19 system to the other.

20 (h) Notwithstanding any other law to the contrary,  
21 retirement benefits for the optional retirement system of the



1 University of Hawaii shall be a subject of collective bargaining  
2 negotiations for bargaining [~~unit~~] units (7) [-] and (8)."

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

6 SECTION 3. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act shall take effect on July 31, 2050.



**Report Title:**

University of Hawaii; Optional Retirement System

**Description:**

Expands the membership eligibility for the University of Hawaii's optional retirement system to athletic coaches and assistant coaches who are employed by the University on or after July 1, 2021, and are included in bargaining unit (8). Allows the Board of Regents to utilize existing alternative surrogate retirement plans already offered by State or the University as an alternative. Allows the Board of Regents to adopt rules pertaining to eligibility in the optional retirement system. Prohibits members and former members of the ERS from opting into the optional retirement system. Allows the retirement benefits of the UH optional retirement system to be subject to collective bargaining negotiations for the bargaining units (7) and (8). Effective 7/31/2050. (SD1)

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

