
A BILL FOR AN ACT

RELATING TO RETIREMENT.

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

1 SECTION 1. Section 88-21, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding four new definitions to be appropriately
4 inserted and to read:

5 "Chief investigator" means a person regularly employed by
6 the department of law enforcement who has been conferred police
7 powers by the director of law enforcement in accordance with
8 section 353C-4 and is in the position of chief investigator.

9 "Chief special investigator" means a person regularly
10 employed by the department of law enforcement who has been
11 conferred police powers by the director of law enforcement in
12 accordance with section 353C-4 and is in the position of chief
13 special investigator.

14 "Deputy director for law enforcement" means a person
15 appointed by the director of law enforcement to regularly serve
16 as a deputy director of the department of law enforcement.



1 "Director of law enforcement" means the person appointed by
2 the governor to regularly serve as director of the department of
3 law enforcement."

4 2. By amending the definition of "law enforcement
5 investigations staff investigators" to read:

6 "'Law enforcement investigations staff investigators" means
7 those employees in the [~~investigations staff office of the~~]
8 department of law enforcement who have been conferred police
9 powers by the director of law enforcement in accordance with
10 section 353C-4 and are in the positions of investigator I to
11 VII."

12 SECTION 2. Section 88-42.6, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "[~~§~~88-42.6[~~§~~] **Membership of elective officers.** (a) An
15 elective officer shall be a member of the employees' retirement
16 system; provided that an elective officer [~~shall have a one-time~~
17 ~~election~~] may elect to be excluded from membership in the
18 employees' retirement system.

19 (b) [~~Unless the elective officer is a member of the~~
20 ~~system, a former member of the system, or a retirant, an~~] An
21 elective officer shall make the election to be excluded from



1 membership in the system no later than thirty days following the
2 elective officer's taking office [~~. The election shall be~~
3 ~~irrevocable.~~] after each election for office. If the elective
4 officer fails to make an election to be excluded from membership
5 in the system within the period allowed for making the election,
6 the elective officer shall become a member effective as of the
7 date the elective officer takes office.

8 (c) Notwithstanding section 88-21, 88-98, 88-273(c), or
9 88-344, or any other law to the contrary, the retirement
10 allowance of a retirant who returns to service as an elective
11 officer shall not be suspended if the retirant:

- 12 (1) Retired pursuant to section 88-73(d); or
13 (2) Has been retired for at least twelve consecutive
14 months [~~prior to~~] before return to service and elects
15 to have the retirement allowance continue. The
16 election whether or not to have the retirant's
17 retirement allowance continue [~~shall be irrevocable~~
18 ~~and~~] shall be made no later than thirty days following
19 the retirant's first return to service as an elective
20 officer.



1 If the retirant's retirement allowance is not suspended, the
2 retirant shall not become a member of the system and shall not
3 earn additional service credit or gain any additional retirement
4 benefits.

5 (d) An elective officer who retired pursuant to section
6 88-73(d) shall not be eligible for membership in the system
7 while serving as an elective officer."

8 SECTION 3. Section 88-45, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§88-45 Employee contributions.** After June 30, 1988, each
11 class A and class B member shall contribute seven and eight-
12 tenths per cent of the member's compensation to the annuity
13 savings fund; provided that after June 30, 1989, all
14 firefighters, police officers, corrections officers,
15 investigators of the departments of the prosecuting attorney and
16 of the attorney general, narcotics enforcement investigators,
17 water safety officers not making the election under section 88-
18 271, ~~and~~ law enforcement investigations staff investigators,
19 chief investigator, and chief special investigator shall
20 contribute twelve and two-tenths per cent of their compensation
21 to the annuity savings fund for service in that capacity;



1 provided further that each class A and class B member who
2 becomes a member after June 30, 2012, shall contribute nine and
3 eight-tenths per cent of the member's compensation to the
4 annuity savings fund; provided further that all firefighters,
5 police officers, corrections officers, investigators of the
6 departments of the prosecuting attorney and of the attorney
7 general, narcotics enforcement investigators, ~~and~~ law
8 enforcement investigations staff investigators, chief
9 investigator, and chief special investigator who become members
10 after June 30, 2012, shall contribute fourteen and two-tenths
11 per cent of their compensation to the annuity savings fund for
12 service in that capacity."

13 SECTION 4. Section 88-47, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) There shall be four classes of members in the system
16 to be known as class A, class B, class C, and class H, defined
17 as follows:

18 (1) Class A shall consist of:

19 (A) Members first employed as judges before July 1,
20 2031, elected officials, and legislative
21 officers;



- 1 (B) Investigators of the department of the attorney
2 general, narcotics enforcement investigators,
3 water safety officers not making the election
4 under section 88-271, and law enforcement
5 investigations staff investigators;
- 6 (C) Those members in service [~~prior to~~] before July
7 1, 1984, including those who are on approved
8 leave of absence, not making the election to
9 become a class C member as provided in part VII
10 or to become a class H member as provided in part
11 VIII;
- 12 (D) The following members in service [~~prior to~~]
13 before July 1, 2006, including those who are on
14 approved leave of absence, not making the
15 election to become a class H member as provided
16 in part VIII:
- 17 (i) Members whose salaries are set forth in
18 sections 26-52 and 26-53 and their county
19 counterparts, managing directors or an
20 administrative assistant to the mayor, other
21 county department heads, and agency heads



- 1 appointed and subject to removal by the
- 2 mayor;
- 3 (ii) First deputies appointed by the county
- 4 attorney and prosecuting attorney;
- 5 (iii) The county clerk and deputy county clerk of
- 6 each county;
- 7 (iv) The directors of the offices of council
- 8 services of the county of Maui and the city
- 9 and county of Honolulu;
- 10 (v) The administrative director of the courts;
- 11 (vi) The deputy administrative director of the
- 12 courts;
- 13 (vii) The executive officer of the labor and
- 14 industrial relations appeals board; and
- 15 (viii) The executive officer of the Hawaii labor
- 16 relations board;
- 17 (E) All former class A retirants who return to
- 18 employment after June 30, 1984, requiring the
- 19 retirant's active membership; [~~and~~]



- 1 (F) All former class B retirants who return to
- 2 employment requiring the retirant's active
- 3 membership, except for:
 - 4 (i) Former retirants who return in the positions
 - 5 of police officer or firefighter;
 - 6 (ii) Former retirants who were members on July 1,
 - 7 1957, who elected not to be covered by the
 - 8 Social Security Act; and
 - 9 (iii) Former retirants who were in positions to
 - 10 which coverage under Title II of the Social
 - 11 Security Act was not extended who entered
 - 12 membership after June 30, 1957, but before
 - 13 January 1, 2004; and
 - 14 (G) The following members of the department of law
 - 15 enforcement, effective July 1, 2026:
 - 16 (i) The chief investigator; and
 - 17 (ii) The chief special investigator;
 - 18 (2) Class B shall consist of:
 - 19 (A) Police officers and firefighters, including
 - 20 former retirants who return to service in such
 - 21 capacity;



- 1 (B) All employees, including former retirants, who
2 were members on July 1, 1957, who elected not to
3 be covered by the Social Security Act; and
- 4 (C) All employees, including former retirants, in
5 positions to which coverage under Title II of the
6 Social Security Act is not extended, who enter
7 membership after June 30, 1957, but before
8 January 1, 2004, not making the election to
9 become a class H member as provided in part VIII;
- 10 (3) Except for members described in paragraphs (1) and
11 (2), class C shall consist of all employees, not
12 making the election to become a class H member as
13 provided in part VIII, who:
- 14 (A) First enter service after June 30, 1984, but
15 before July 1, 2006;
- 16 (B) Reenter service after June 30, 1984, but before
17 July 1, 2006, without vested benefit status as
18 provided in section 88-96(b);
- 19 (C) Make the election to become a class C member as
20 provided in part VII; or



- 1 (D) Are former class C retirants who return to
- 2 service requiring the retirant's active
- 3 membership; and
- 4 (4) Except for members described in paragraphs (1) and
- 5 (2), class H shall consist of all employees who:
- 6 (A) First enter service after June 30, 2006;
- 7 (B) Reenter service after June 30, 2006, without
- 8 vested benefit status as provided in section 88-
- 9 96(b);
- 10 (C) Make the election to become a class H member as
- 11 provided in part VIII;
- 12 (D) Are former class H retirants who return to
- 13 service requiring the retirant's active
- 14 membership; or
- 15 (E) Are first employed as a judge after June 30,
- 16 2031."

17 SECTION 5. Section 88-74, Hawaii Revised Statutes, is
 18 amended to read as follows:

19 "**§88-74 Allowance on service retirement.** (a) Upon
 20 retirement from service, a member shall receive a maximum
 21 retirement allowance as provided in this section.



1 (b) If a member, who became a member before July 1, 2012,
2 has attained age fifty-five, the member's maximum retirement
3 allowance shall be two per cent of the member's average final
4 compensation multiplied by the total number of years of the
5 member's credited service as a class A and class B member,
6 excluding any credited service as a judge, elective officer, or
7 legislative officer, plus a retirement allowance of one and one-
8 fourth per cent of the member's average final compensation
9 multiplied by the total number of years of prior credited
10 service as a class C member, plus a retirement allowance of two
11 per cent of the member's average final compensation multiplied
12 by the total number of years of prior credited service as a
13 class H member; provided that:

14 (1) After June 30, 1968, if the member has at least ten
15 years of credited service of which the last five or
16 more years [~~prior to~~] before retirement is credited
17 service as a firefighter, police officer, or an
18 investigator of the department of the prosecuting
19 attorney;

20 (2) After June 30, 1977, if the member has at least ten
21 years of credited service of which the last five or



- 1 more years [~~prior to~~] before retirement is credited
2 service as a corrections officer;
- 3 (3) After June 16, 1981, if the member has at least ten
4 years of credited service of which the last five or
5 more years [~~prior to~~] before retirement is credited
6 service as an investigator of the department of the
7 attorney general;
- 8 (4) After June 30, 1989, if the member has at least ten
9 years of credited service of which the last five or
10 more years [~~prior to~~] before retirement is credited
11 service as a narcotics enforcement investigator;
- 12 (5) After December 31, 1993, if the member has at least
13 ten years of credited service of which the last five
14 or more years [~~prior to~~] before retirement is credited
15 service as a water safety officer;
- 16 (6) After June 30, 1994, if the member has at least ten
17 years of credited service, of which the last five or
18 more years [~~prior to~~] before retirement are credited
19 service as a law enforcement investigations staff
20 investigator;
- 21 (7) After June 30, 2002, if the member:



- 1 (A) Has at least ten years of credited service as a
- 2 firefighter;
- 3 (B) Is deemed permanently medically disqualified due
- 4 to a [~~service-related~~] service-related disability
- 5 to be a firefighter by the employer's physician;
- 6 and
- 7 (C) Continues employment in a class A or B position
- 8 other than a firefighter; [~~and~~]
- 9 (8) After June 30, 2004, if the member:
- 10 (A) Has at least ten years of credited service as a
- 11 police officer;
- 12 (B) Is deemed permanently medically disqualified due
- 13 to a [~~service-related~~] service-related disability
- 14 to be a police officer by the employer's
- 15 physician; and
- 16 (C) Continues employment in a class A or B position
- 17 other than a police officer; and
- 18 (9) Notwithstanding section 88-99, after June 30, 2026, if
- 19 the member has at least ten years of credited service,
- 20 of which the last five or more years before retirement



1 are credited service as chief investigator or chief
2 special investigator;
3 then for each year of service as a firefighter, police officer,
4 corrections officer, investigator of the department of the
5 prosecuting attorney, investigator of the department of the
6 attorney general, narcotics enforcement investigator, water
7 safety officer, ~~[e]~~ law enforcement investigations staff
8 investigator, chief investigator, or chief special investigator,
9 the retirement allowance shall be two and one-half per cent of
10 the member's average final compensation. The maximum retirement
11 allowance for those members shall not exceed eighty per cent of
12 the member's average final compensation. If the member has not
13 attained age fifty-five, the member's retirement allowance shall
14 be computed as though the member had attained age fifty-five,
15 reduced for age as provided in subsection ~~[(e)].~~ (f).

16 (c) If a member, who became a member ~~[prior to]~~ before
17 July 1, 2012, has credited service as a judge, the member's
18 retirement allowance shall be computed on the following basis:

19 (1) For a member who has credited service as a judge
20 before July 1, 1999, irrespective of age, for each
21 year of credited service as a judge, three and one-



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



1 service. If the member has not attained age sixty,
2 the member's retirement allowance shall be computed as
3 though the member had attained age sixty, reduced for
4 age as provided in subsection [~~(i)~~] (k);

5 (4) For a judge with other credited service, as provided
6 in subsection (b). If the member has not attained age
7 fifty-five, the member's retirement allowance shall be
8 computed as though the member had attained age fifty-
9 five, reduced for age as provided in subsection [~~(e)~~]
10 (f); or

11 (5) For a judge with credited service as an elective
12 officer or as a legislative officer, as provided in
13 subsection (d).

14 No allowance shall exceed seventy-five per cent of the member's
15 average final compensation. If the allowance exceeds this
16 limit, it shall be adjusted by reducing the annuity included in
17 paragraphs (1), (2), and (3) and the portion of the accumulated
18 contributions specified in paragraphs (1), (2), and (3) in
19 excess of the requirements of the reduced annuity shall be
20 returned to the member upon the member's retirement or paid to
21 the member's designated beneficiary upon the member's death



1 while in service or while on authorized leave without pay. The
2 allowance for judges under this subsection, together with the
3 retirement allowance provided by the federal government for
4 similar service, shall in no case exceed seventy-five per cent
5 of the member's average final compensation.

6 (d) If a member, who became a member before July 1, 2012,
7 has credited service as an elective officer or as a legislative
8 officer, the member's retirement allowance shall be derived by
9 adding the allowances computed separately under paragraphs (1),
10 (2), (3), (4), (5), and (6) as follows:

11 (1) For a member who has credited service as an elective
12 officer before July 1, 2012, irrespective of age, for
13 each year of credited service as an elective officer,
14 three and one-half per cent of the member's average
15 final compensation as computed under section 88-
16 81(e)(1), in addition to an annuity that is the
17 actuarial equivalent of the member's accumulated
18 contributions allocable to the period of service;

19 (2) For a member, who first earned credited service as an
20 elective officer after June 30, 2012, irrespective of
21 age, for each year of credited service as an elective



1 officer, three per cent of the member's average final
2 compensation as computed under section 88-81(e) (1), in
3 addition to an annuity that is the actuarial
4 equivalent of the member's accumulated contributions
5 allocable to the period of service;

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

14 (4) For a member who first earned credited service as a
15 legislative officer after June 30, 2012, irrespective
16 of age, for each year of credited service as a
17 legislative officer, three 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 (5) If the member has credited service as a judge, the
2 member's retirement allowance shall be computed on the
3 following basis:

4 (A) For a member who has credited service as a judge
5 before July 1, 1999, irrespective of age, for
6 each year of credited service as a judge, three
7 and one-half per cent of the member's average
8 final compensation as computed under section 88-
9 81(e)(3), in addition to an annuity that is the
10 actuarial equivalent of the member's accumulated
11 contributions allocable to the period of service;

12 (B) For a member who first earned credited service as
13 a judge after June 30, 1999, but before July 1,
14 2012, and has attained the age of fifty-five, for
15 each year of credited service as a judge, three
16 and one-half per cent of the member's average
17 final compensation as computed under section 88-
18 81(e)(3), in addition to an annuity that is the
19 actuarial equivalent of the member's accumulated
20 contributions allocable to the period of service.

21 If the member has not attained age fifty-five,



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

5 (C) For a member who first earned credited service as
6 a judge after June 30, 2012, but before July 1,
7 2031, and has attained the age of sixty, for each
8 year of credited service as a judge, three per
9 cent of the member's average final compensation
10 as computed under section 88-81(e) (3), in
11 addition to an annuity that is the actuarial
12 equivalent of the member's accumulated
13 contributions allocable to the period of service.
14 If the member has not attained age sixty, the
15 member's retirement allowance shall be computed
16 as though the member had attained age sixty,
17 reduced for age as provided in subsection [~~(i)~~]
18 (k); and

19 (D) For a member who first earned credited service as
20 a judge after June 30, 2031, and has attained the
21 age of sixty, for each year of credited service



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

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



1 five, reduced for age as provided in subsection [~~(e)~~].

2 (f).

3 The total retirement allowance shall not exceed seventy-five per
4 cent of the member's highest average final compensation
5 calculated under section 88-81(e)(1), (2), (3), or (4). If the
6 allowance exceeds this limit, it shall be adjusted by reducing
7 any annuity accrued under paragraphs (1), (2), (3), (4), and (5)
8 and the portion of the accumulated contributions specified in
9 these paragraphs in excess of the requirements of the reduced
10 annuity shall be returned to the member upon the member's
11 retirement or paid to the member's designated beneficiary upon
12 the member's death while in service or while on authorized leave
13 without pay. If a member has service credit as an elective
14 officer or as a legislative officer in addition to service
15 credit as a judge, then the retirement benefit calculation
16 contained in this subsection shall supersede the formula
17 contained in subsection (c).

18 (e) Notwithstanding section 88-99, if a member, who became
19 a member before July 1, 2012, has credited service as the
20 director of law enforcement or deputy director of the department



1 of law enforcement, the member's retirement allowance shall be
2 derived by adding the allowances computed separately as follows:

3 (1) For a member who has credited service as a police
4 officer after June 30, 1968, for each year of credited
5 service as a police officer, two and one-half per cent
6 of the member's average final compensation;

7 (2) For a member who has credited service as an
8 investigator of the department of the attorney general
9 after June 16, 1981, for each year of credited service
10 as an investigator of the department of the attorney
11 general, two and one-half per cent of the member's
12 average final compensation;

13 (3) For a member who has credited service as a narcotics
14 enforcement investigator after June 30, 1989, for each
15 year of credited service as a narcotics enforcement
16 investigator, two and one-half per cent of the
17 member's average final compensation;

18 (4) For a member who has credited service as a law
19 enforcement investigations staff investigator after
20 June 30, 1994, for each year of credited service as a
21 law enforcement investigations staff investigator, two



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



1 ~~(e)~~ (f) Except as provided in subsections (b), (c),
2 ~~and~~ (d), and (e), if a member, who became a member before July
3 1, 2012, has not attained age fifty-five at the date of
4 retirement, the member's retirement allowance shall be reduced,
5 for each month the member's age at the date of retirement is
6 below age fifty-five, as follows:

7 (1) 0.4166 per cent for each month below age fifty-five
8 and above age forty-nine and eleven months; plus

9 (2) 0.3333 per cent for each month below age fifty and
10 above age forty-four and eleven months; plus

11 (3) 0.2500 per cent for each month below age forty-five
12 and above age thirty-nine and eleven months; plus

13 (4) 0.1666 per cent for each month below age forty;

14 provided that no reduction shall be made if the member has at
15 least twenty-five years of credited service as a firefighter,
16 police officer, corrections officer, investigator of the
17 department of the prosecuting attorney, investigator of the
18 department of the attorney general, narcotics enforcement
19 investigator, law enforcement investigations staff investigator,
20 chief investigator, chief special investigator, sewer worker, or
21 water safety officer, of which the last five or more years



1 [~~prior to~~] before retirement is credited service in these
2 capacities.

3 [~~(f)~~] (g) If a member, who becomes a member after June 30,
4 2012, has attained age sixty, the member's maximum retirement
5 allowance shall be one and three-fourths per cent of the
6 member's average final compensation multiplied by the total
7 number of years of the member's credited service as a class A
8 and class B member, excluding any credited service as a judge,
9 elective officer, or legislative officer, plus a retirement
10 allowance of one and one-fourth per cent of the member's average
11 final compensation multiplied by the total number of years of
12 prior credited service as a class C member, plus a retirement
13 allowance of one and three-fourths per cent of the member's
14 average final compensation multiplied by the total number of
15 years of prior credited service as a class H member; provided
16 that:

17 (1) If the member has at least ten years of credited
18 service of which the last five or more years [~~prior~~
19 ~~to~~] before retirement is credited service as a
20 firefighter, police officer, or an investigator of the
21 department of the prosecuting attorney;



- 1 (2) If the member has at least ten years of credited
2 service of which the last five or more years [~~prior~~
3 ~~to~~] before retirement is credited service as a
4 corrections officer;
- 5 (3) If the member has at least ten years of credited
6 service of which the last five or more years [~~prior~~
7 ~~to~~] before retirement is credited service as an
8 investigator of the department of the attorney
9 general;
- 10 (4) If the member has at least ten years of credited
11 service of which the last five or more years [~~prior~~
12 ~~to~~] before retirement is credited service as a
13 narcotics enforcement investigator;
- 14 (5) If the member has at least ten years of credited
15 service, of which the last five or more years [~~prior~~
16 ~~to~~] before retirement is credited service as a law
17 enforcement investigations staff investigator;
- 18 (6) After June 30, 2026, if the member has at least ten
19 years of credited service, of which the last five or
20 more years before retirement is credited service as a
21 chief investigator or chief special investigator;



- 1 [~~6~~] (7) If the member:
- 2 (A) Has at least ten years of credited service as a
- 3 firefighter;
- 4 (B) Is deemed permanently medically disqualified due
- 5 to a service related disability to be a
- 6 firefighter by the employer's physician; and
- 7 (C) Continues employment in a class A or class B
- 8 position other than a firefighter; and
- 9 [~~7~~] (8) If the member:
- 10 (A) Has at least ten years of credited service as a
- 11 police officer;
- 12 (B) Is deemed permanently medically disqualified due
- 13 to a service related disability to be a police
- 14 officer by the employer's physician; and
- 15 (C) Continues employment in a class A or class B
- 16 position other than a police officer,
- 17 then for each year of service as a firefighter, police officer,
- 18 corrections officer, investigator of the department of the
- 19 prosecuting attorney, investigator of the department of the
- 20 attorney general, narcotics enforcement investigator, [~~or~~] law
- 21 enforcement investigations staff investigator, chief



1 investigator, or chief special investigator, the retirement
2 allowance shall be two and one-fourth per cent of the member's
3 average final compensation. The maximum retirement allowance
4 for those members shall not exceed eighty per cent of the
5 member's average final compensation. If the member has not
6 attained age sixty, the member's retirement allowance shall be
7 computed as though the member had attained age sixty, reduced
8 for age as provided in subsection [~~(i)~~] (k).

9 [~~(g)~~] (h) If a member, who becomes a member after June 30,
10 2012, has credited service as a judge, the member's retirement
11 allowance shall be computed on the following basis:

12 (1) For each year of credited service as a judge, three
13 per cent of the member's average final compensation in
14 addition to an annuity that is the actuarial
15 equivalent of the member's accumulated contributions
16 allocable to the period of service. If the member has
17 not attained age sixty, the member's retirement
18 allowance shall be computed as though the member had
19 attained age sixty, reduced for age as provided in
20 subsection [~~(i)~~] (k);



- 1 (2) For a judge with other credited service, as provided
2 in subsection [~~(f)~~] (g). If the member has not
3 attained age sixty, the member's retirement allowance
4 shall be computed as though the member had attained
5 age sixty, reduced for age as provided in subsection
6 [~~(i)~~] (k); and
- 7 (3) For a judge with credited service as an elective
8 officer or as a legislative officer, as provided in
9 subsection [~~(h)~~] (i).
- 10 No allowance shall exceed seventy-five per cent of the member's
11 average final compensation. If the allowance exceeds this
12 limit, it shall be adjusted by reducing the annuity included in
13 paragraph (1) and the portion of the accumulated contributions
14 specified in paragraph (1) in excess of the requirements of the
15 reduced annuity shall be returned to the member upon the
16 member's retirement or paid to the member's designated
17 beneficiary upon the member's death while in service or while on
18 authorized leave without pay. The allowance for judges under
19 this subsection, together with the retirement allowance provided
20 by the federal government for similar service, shall in no case



1 exceed seventy-five per cent of the member's average final
2 compensation.

3 [~~(h)~~] (i) If a member, who becomes a member after June 30,
4 2012, has credited service as an elective officer or as a
5 legislative officer, the member's retirement allowance shall be
6 derived by adding the allowances computed separately under
7 paragraphs (1), (2), (3), and (4) as follows:

- 8 (1) Irrespective of age, for each year of credited service
9 as an elective officer, three per cent of the member's
10 average final compensation as computed under section
11 88-81(f) (1), in addition to an annuity that is the
12 actuarial equivalent of the member's accumulated
13 contributions allocable to the period of service;
- 14 (2) Irrespective of age, for each year of credited service
15 as a legislative officer, three per cent of the
16 member's average final compensation as computed under
17 section 88-81(f) (2), in addition to an annuity that is
18 the actuarial equivalent of the member's accumulated
19 contributions allocable to the period of service;
- 20 (3) For each year of credited service as a judge, three
21 per cent of the member's average final compensation as



1 computed under section 88-81(f)(3), in addition to an
2 annuity that is the actuarial equivalent of the
3 member's accumulated contributions allocable to the
4 period of service. If the member has not attained age
5 sixty, the member's retirement allowance shall be
6 computed as though the member had attained age sixty,
7 reduced for age as provided in subsection [~~(i)~~] (k);
8 and

- 9 (4) For each year of credited service not included in
10 paragraph (1), (2), or (3), the average final
11 compensation as computed under section 88-81(f)(4)
12 shall be multiplied by one and three-fourth per cent
13 for credited service earned as a class A or class H
14 member, two and one-fourth per cent for credited
15 service earned as a class B member, and one and
16 one-fourth per cent for credited service earned as a
17 class C member. If the member has not attained age
18 sixty, the member's retirement allowance shall be
19 computed as though the member had attained age sixty,
20 reduced for age as provided in subsection [~~(i)~~] (k).



1 The total retirement allowance shall not exceed seventy-five per
2 cent of the member's highest average final compensation
3 calculated under section 88-81(f)(1), (2), (3), or (4). If the
4 allowance exceeds this limit, it shall be adjusted by reducing
5 any annuity accrued under paragraphs (1), (2), and (3) and the
6 portion of the accumulated contributions specified in these
7 paragraphs in excess of the requirements of the reduced annuity
8 shall be returned to the member upon the member's retirement or
9 paid to the member's designated beneficiary upon the member's
10 death while in service or while on authorized leave without pay.
11 If a member has service credit as an elective officer or as a
12 legislative officer in addition to service credit as a judge,
13 then the retirement benefit calculation contained in this
14 subsection shall supersede the formula contained in subsection
15 [~~(g)~~] (h).

16 (j) If a member, who became a member after June 30, 2012,
17 has credited service as the director of law enforcement or
18 deputy director of the department of law enforcement, the
19 member's retirement allowance shall be derived by adding the
20 allowances computed separately as follows:



- 1 (1) For a member who has credited service as a police
2 officer after June 30, 2012, for each year of credited
3 service as a police officer, two and one-quarter per
4 cent of the member's average final compensation;
- 5 (2) For a member who has credited service as an
6 investigator of the department of the attorney general
7 after June 30, 2012, for each year of credited service
8 as an investigator of the department of the attorney
9 general, two and one-quarter per cent of the member's
10 average final compensation;
- 11 (3) For a member who has credited service as a narcotics
12 enforcement investigator after June 30, 2012, for each
13 year of credited service as a narcotics enforcement
14 investigator, two and one-quarter per cent of the
15 member's average final compensation;
- 16 (4) For a member who has credited service as a law
17 enforcement investigations staff investigator after
18 June 30, 2012, for each year of credited service as a
19 law enforcement investigations staff investigator, two
20 and one-quarter per cent of the member's average final
21 compensation;



1 (5) For a member who has credited service as the director
2 of law enforcement or deputy director of the
3 department of law enforcement, for each year of
4 credited service as the director of law enforcement or
5 deputy director of the department of law enforcement,
6 one and three-fourths per cent of the member's average
7 final compensation; and

8 (6) For each year of credited service not included in
9 paragraph (1), (2), (3), (4), or (5), the average
10 final compensation calculated under section
11 88-81(b) (1), (2), or (3) shall be multiplied by one
12 and three-fourths per cent of the member's average
13 final compensation. If the member has not attained
14 age sixty, the member's retirement allowance shall be
15 computed as though the member had attained age sixty,
16 reduced for age as provided in subsection (k).

17 ~~[(i)]~~ (k) Except as provided in subsections ~~[(f),]~~ (g),
18 ~~[and]~~ (h), (i) and (j), if a member, who becomes a member after
19 June 30, 2012, has not attained age sixty at the date of
20 retirement, the member's retirement allowance shall be reduced,



1 for each month the member's age at the date of retirement is
2 below age sixty, as follows:

3 (1) 0.4166 per cent for each month below age sixty and
4 above age fifty-four and eleven months; plus

5 (2) 0.3333 per cent for each month below age fifty-five
6 and above age forty-nine and eleven months; plus

7 (3) 0.2500 per cent for each month below age fifty and
8 above age forty-four and eleven months; plus

9 (4) 0.1666 per cent for each month below age forty-five;

10 provided that no reduction shall be made if the member has
11 attained the age of fifty-five and has at least twenty-five
12 years of credited service as a firefighter, police officer,
13 corrections officer, investigator of the department of the
14 prosecuting attorney, investigator of the department of the
15 attorney general, narcotics enforcement investigator, law
16 enforcement investigations staff investigator, chief
17 investigator, chief special investigator, sewer worker, water
18 safety officer, or emergency medical technician, of which the
19 last five or more years [~~prior to~~] before retirement is credited
20 service in these capacities."



1 SECTION 6. Section 88-74.6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§88-74.6 Unreduced allowance on service retirement; when**
4 **applicable.** In addition to those positions identified in
5 section [~~88-74(e)~~] 88-74(f) and notwithstanding any law in this
6 part that requires a member to attain age fifty-five to qualify
7 for an unreduced service retirement allowance, if a member, who
8 became a member before July 1, 2012, has at least:

- 9 (1) Thirty years of credited service through June 30,
10 2003;
- 11 (2) Twenty-nine years of credited service on or after
12 July 1, 2004;
- 13 (3) Twenty-eight years of credited service on or after
14 July 1, 2005;
- 15 (4) Twenty-seven years of credited service on or after
16 July 1, 2006;
- 17 (5) Twenty-six years of credited service on or after
18 July 1, 2007; or
- 19 (6) Twenty-five years of credited service on or after
20 July 1, 2008,



1 as an emergency medical technician, of which the last five or
2 more years [~~prior to~~] before retirement is credited service in
3 that capacity, then upon retirement and irrespective of age,
4 that member's service retirement allowance shall not be reduced
5 for actuarial purposes."

6 SECTION 7. Section 88-76, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§88-76 Allowance on ordinary disability retirement.** Upon
9 retirement for ordinary disability, a member shall receive a
10 maximum retirement allowance of one and three-fourths per cent
11 of the member's average final compensation for each year of
12 credited service; except that for each year of credited service
13 as a judge, an elective officer, or a legislative officer, the
14 member shall receive a maximum retirement allowance computed as
15 provided in section 88-74(c), (d), [~~(g), or~~] (h), or (i), as
16 applicable. The minimum retirement allowance payable under this
17 section shall be thirty per cent of the member's average final
18 compensation."

19 SECTION 8. This Act does not affect the rights and duties
20 that matured or were vested, penalties that were incurred, and
21 proceedings that were begun before its effective date, including



1 but not limited to any membership that was terminated, credited
2 service that was forfeited, retirement that was finalized, or
3 benefits that were paid.

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

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



Report Title:

DLE; Elective Officers; Membership; Employees' Retirement System; Allowances; Pension

Description:

Provides elective officers with the choice to be members of the Employees' Retirement System after each election. Repeals the condition that a choice to be excluded from the Employees' Retirement System is irrevocable and such choice may only be made once. Includes the Chief Investigator and Chief Special Investigator of the Department of Law Enforcement as class A members of the pension and retirement system. Establishes guidance for the computation of retirement benefits for the Chief Investigator, Chief Special Investigator, Director of Law Enforcement, and Deputy Directors of Law Enforcement. (HD1)

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

