

## ACT 20

An Act Amending Act 181, Session Laws of Hawaii 1961 Relating to the Employees' Retirement System.

WHEREAS, Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said Section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This act is hereby declared to be an urgency measure deemed necessary in the public interest within the meeting of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The provisions for the retirement of judges and elective officers enacted by Act 181, Session Laws of Hawaii 1961, did not take into account the amendments made by Act 175, Session Laws of Hawaii 1961, which made substantial improvements in the provisions relating to retirement allowances. If Act 181 had not been enacted, judges and elective officers would have been entitled to the benefit of the amendments made by Act 175. It was not the legislative intent to exclude judges and elective officers therefrom. It is therefore necessary that the provisions of Act 181 be amended to conform to the provisions of Act 175 to carry out the legislative intent. There being a number of judges and elective officers who will soon attain the compulsory retirement age or who are now or will soon be eligible for voluntary retirement, it is urgent and in the public interest that the provisions of this Act be enacted at this session of the Legislature.

SECTION 2. Chapter 6 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new section, to be appropriately numbered and reading as follows:

**"Sec. 6- . Allowance of judges and elective officers.** The service retirement allowance or disability retirement allowance of a member who has had ten years of service credit, including service as a judge or an elective officer

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rendered after May 27, 1961, shall be computed on the following basis: (a) For each year of creditable service as a judge or an elective officer rendered after the admission of this State into the Union, 3.4523 per cent of his average final compensation, in addition to the annuity allocable to the period of such service; and (b) for all other creditable service, on the same basis as if this section had not been enacted, to be computed without reference to the amounts creditable under (a) hereof. If he is a Class "A" member, the pension portion of the allowance shall be reduced as provided in section 6-42 or 6-45, whichever is applicable. The allowance shall in no case exceed seventy-five per cent of the average final compensation; if it exceeds such limit, it shall be reduced by first reducing the annuity, and such portion of the accumulated contributions as may be in excess of the requirements of the reduced annuity shall be returned to the member. The allowance shall in no case be less than if this section had not been enacted."

SECTION 3. Sections 4 and 5 of Act 181 of the Session Laws of Hawaii 1961 are hereby repealed.

SECTION 4. This Act shall take effect as of July 1, 1961.

(Approved May 16, 1962.) H.B. 523.

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