　　　　　　　　H. B. NO. 540

A Bill for an Act Relating to the Post-Retirement Allowance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 88-90, Hawaii Revised Statutes is amended to read as follows:

"**Section 88-90. Post retirement allowances.** (a) There shall be payable to each person receiving any pension, annuity or retirement allowance, a post retirement allowance which shall consist of an amount equivalent to one and one-half per cent of the monthly pension, annuity or retirement allowance as originally computed, approved and paid. This benefit shall be added to the monthly pension, annuity or retirement allowance on the first day of July in each year following June 30, 1961, as follows:

(1) To each person receiving a pension, annuity or retirement allowance on June 30, 1961, payment of the benefit shall commence on July 1, 1961, except that after June 30, 1963, the monthly benefits payable under this subsection shall be computed and paid on the basis of the number of years that has elapsed since the person entitled thereto first became the recipient of the pension, annuity or retirement allowance from which the benefit is derived.

(2) To each person first receiving a pension, annuity or retirement allowance after June 30, 1961, payment of the benefit shall commence on the first of July following the calendar year in which the payment of the pension, annuity or retirement allowance is effective.

(b) After June 30, 1970, the post retirement allowance shall consist of an amount equivalent to two and one-half per cent of the monthly pension, annuity or retirement allowance as originally computed and paid. This benefit shall be payable on the first day of July in each year following June 30, 1970 as follows:

(1) To each person, who on June 30, 1970 was receiving a post retirement allowance as described under subsection (a) hereof, payment of the benefit shall commence on July 1, 1970.

(2) To each person first receiving a pension annuity or retirement allowance after December 31, 1968, payment of the benefit shall commence on the first day of July following the calendar year in which the payment of the pension annuity or retirement allowance is effective."

SECTION 2. Section 88-45, Hawaii Revised Statutes is amended to read as follows:

"**Section 88-45. Employee contributions.** After June 30, 1965, the normal contribution by each member to the annuity savings fund shall be six per cent of his compensation, provided that after June 30, 1967, all firemen and policemen shall contribute ten and four-tenths per cent of their compensation.

In addition to the foregoing, all members including firemen and policemen, shall contribute one and eight-tenths per cent of compensation to the post retirement fund."

SECTION 3. Section 88-115, Hawaii Revised Statutes is amended to read as follows:

"**Section 88-115. Post retirement fund.** The post retirement fund shall be the fund to which shall be credited all moneys contributed by the members and provided by the State and counties to pay the post retirement allowances and from which all post retirement allowances shall be paid in accordance with section 88-90. Annually, the board of trustees shall determine the amount of money that the State and counties shall contribute to this fund on the basis of two and five-tenths per cent of the aggregate annual amount of compensation as of March 31 of the preceding year of all members who were employees of the State or counties, as the case may be, as determined by the annual valuation of the actuary. Such amount shall be prorated among the State and the respective counties upon the basis of the payrolls as aforesaid and each shall pay its prorata share thereof."

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 5. Effective Date. This Act shall take effect on July 1, 1970.
(Approved June 19, 1970.)

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* Edited accordingly