

ACT 169

H.B. NO. 1615

A Bill for an Act Relating to Vacation Allowances.

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

SECTION 1. Section 79-7, Hawaii Revised Statutes, is amended to read as follows:

“§79-7 Vacation allowances on termination of employment. An employee whose employment is voluntarily terminated without prejudice during any calendar year shall be entitled to all of the employee’s accumulated vacation allowance plus the employee’s current accrued vacation allowance to and including the date of termination, notwithstanding that the current accrued vacation allowance may not have been recorded at the time. An employee whose employment is involuntarily terminated otherwise than for cause due to the employee’s own misconduct shall be entitled to all of the employee’s accumulated vacation allowance and current accrued vacation allowance, and the date of such termination shall be fixed so as to permit the employee to take the leave. The date of discharge of an employee whose employment is terminated for cause due to the employee’s own misconduct may, within the discretion of the department head concerned, be fixed so as to permit the allowance of all or any part of any accumulated vacation allowance and current earned vacation allowance. If any employee dies with accumulated or current accrued vacation earned but not taken, an amount equal to the value of the employee’s pay over the period of such earned vacation, and any earned and unpaid wages, shall be paid to the person or persons who may have been designated as the beneficiary or beneficiaries by the employee during the employee’s lifetime in a verified written statement filed with the comptroller or other disbursing officer who issues warrants or checks to pay the employee for the employee’s services as a public officer or public employee, or, failing the designation, to the employee’s surviving spouse, or, failing the surviving spouse, to the employee’s estate.

Whenever an employee’s service is to be terminated, voluntarily or involuntarily, the service, at the option of the department head or other appointing power concerned, may be terminated forthwith and the retiring employee may be paid forthwith, in lieu of the employee’s vacation allowance, the amount of compensation to which the employee would be entitled or which the employee would be allowed during the vacation period if the employee were permitted to take the employee’s vacation in the normal manner, and in such case the employee’s position may be declared vacant and may be permanently filled by a new appointee before the expiration of any vacation period following the date of the termination. For an employee hired after June 30, 1997, whose service is to be terminated, voluntarily or involuntarily, the amount of compensation to be paid in lieu of vacation allowance under this section shall be computed using the rate of pay and amount of accumulated and accrued vacation on the date the employee is terminated. Prompt notice upon such forms and in such manner as may be required [by the personnel classification board having jurisdiction over the position] shall be given by the department head of any action taken under this provision.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 1997.

(Approved June 16, 1997.)