

ACT 184

S.B. NO. 2355

A Bill for an Act Relating to Public Employee Health Benefits.

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

SECTION 1. Section 87A-35, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) This section shall apply to state and county contributions to the fund for employees who were hired after June 30, 1996, but before July 1, 2001, and who retire with fewer than twenty-five years of credited service, excluding sick leave; provided that this section shall not apply to¹ the following employees, for whom state and county contributions shall be made as provided by section 87A-33:

- (1) An employee hired prior to July 1, 1996, who transfers employment after June 30, 1996¹; and, and who cumulatively accrues at least ten years of credited service; and
- (2) An employee hired prior to July 1, 1996, who has at least ten years of credited service [and who has had] prior to a break in service.

For the¹ purposes of this section¹, “transfer”²:

“Break in service” means to leave state or county employment for more than ninety calendar days before returning to state or county employment.

“Transfer” means to leave state or county employment and return to state or county employment within ninety calendar days.”

SECTION 2. Section 87A-36, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) This section shall apply to state and county contributions to the fund for employees hired after June 30, 2001, and who retired, except that this section shall not apply to¹ the following employees, for whom state and county contributions shall be made as provided by section 87A-35:

- (1) An employee hired after June 30, 1996, and prior to July 1, 2001, who transfers employment after June 30, 2001¹; and who cumulatively accrues at least ten years of credited service; and
- (2) An employee hired after June 30, 1996, and prior to July 1, 2001, who has at least ten years of credited service [and who has had] prior to a break in service.

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For purposes of this section[, ~~“transfer”~~]:

“Break in service” means to leave state or county employment for more than ninety calendar days before returning to state or county employment.

“Transfer” means to leave state or county employment and return to state or county employment within ninety calendar days.”

SECTION 3. The board of trustees of the employer-union health benefits trust fund shall establish a process by which public employees affected by this Act shall be notified of the retirement health benefits options provided under this Act.

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

SECTION 5. This Act shall take effect upon approval.

(Approved July 7, 2004.)

Note

1. “The” should be underscored.