

ACT 94

S.B. NO. 2691

A Bill for an Act Relating to the Payment of Employees' Retirement System Benefits.

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

SECTION 1. Section 88-6, Hawaii Revised Statutes, is amended by amending subsection (a) read as follows:

“(a) Notwithstanding any other provision of this chapter:

(1) All retirees and beneficiaries of the state retirement system or county pension funds shall be paid semimonthly; ~~[and effective January 1, 2003, all]~~ provided that:

(A) All retirees and beneficiaries of the state retirement system who either retire or become beneficiaries after January 1, 2003, shall be paid monthly; and

(B) Effective July 1, 2011, all retirees and beneficiaries of the state retirement system shall be paid monthly; provided that this subparagraph shall not apply to any retiree or beneficiary who:

(i) Became a retiree or beneficiary prior to January 1, 2003;

(ii) Is eighty years of age or older on January 1, 2011; and

ACT 94

- (iii) Receives \$800 or less of pension benefits each month; and
- (2) Any ~~retirant~~ retiree or beneficiary of the state retirement system whose benefit commences after June 30, 2001, shall designate a financial institution account into which the system shall be authorized to deposit their retirement ~~benefit[-]; and effective April 1, 2011, all retirees and beneficiaries of the state retirement system shall designate a financial institution account into which the system shall be authorized to deposit their state retirement system benefits.~~ This method of payment may be waived by the system ~~[if another method is determined to be more appropriate].”~~

SECTION 2. The employees' retirement system of the State of Hawaii shall provide for the transition from semimonthly payments to monthly payments pursuant to this Act by adjusting the dates on which the semimonthly payments are made between January 2011 and June 2011.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on January 1, 2011.

(Approved May 11, 2010.)