

**ACT 31**

S.B. NO. 2841

A Bill for an Act Relating to Payments by Employers to the Employees' Retirement System.

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

SECTION 1. Section 88-124, Hawaii Revised Statutes, is amended to read as follows:

**“§88-124 Payment of state contributions to the system.** (a) The State shall pay ~~[on a monthly basis]~~ to the various funds of the system the amounts payable by the State under this part. Payments shall be made:

- (1) On a monthly basis, within thirty days after the end of [the] each month[-]; or
- (2) In advance, in an amount greater than the amount payable for the current fiscal quarter, taking into account amounts previously paid during the quarter and any offsets for any excess contributions in the previous quarter.

(b) The system shall determine the actual amount owed by the State under this part for each fiscal quarter, commencing with the first fiscal quarter of fiscal year 2005-2006. The actual amounts owed by the State for the fiscal quarter shall be compared against the amounts paid in the fiscal quarter[-] and any excess contributions from the previous quarter. Any additional contributions owed by the State for a fiscal quarter shall be paid before the end of the next fiscal quarter. Any excess contributions by the State may be used to offset amounts owed by the State for the next fiscal quarter.”

SECTION 2. Section 88-126, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) Commencing with fiscal year 2005-2006, each of the counties shall make contributions in accordance with section 88-123. The amounts payable under this part by each county on account of its employees who are members of the system shall be paid by the county as follows:

- (1) Before October 31, 2005, for the period from July 1, 2005, through September 30, 2005; ~~[and]~~
- (2) Commencing October 1, 2005, each county shall pay on a monthly basis the amounts payable by the county under this part on account of its employees who are members of the system. Payments shall be made within thirty days after the end of the month[-]; and
- (3) Commencing July 1, 2016:
  - (A) On a monthly basis, within thirty days after the end of each month; or
  - (B) In advance, in an amount greater than the amount payable for the current fiscal quarter, taking into account amounts previously paid during the quarter and any offsets for any excess contributions in the previous quarter.

(b) The system shall determine the actual amount owed by a county under this part for each fiscal quarter, beginning with the first fiscal quarter of fiscal year 2005-2006. The actual amounts owed by the county for the fiscal quarter shall be compared against the amounts paid in the fiscal quarter[-] and any excess contributions from the previous quarter. Any additional contributions owed by the county for a fiscal quarter shall be paid before the end of the next fiscal quarter. Any excess contributions by the county may be used to offset amounts owed by the county for the next fiscal quarter.”

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

SECTION 4. This Act, upon its approval, shall take effect on July 1, 2016.

(Approved April 28, 2016.)