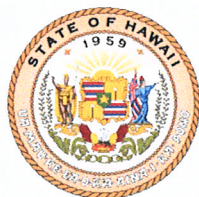


DAVID Y. IGE
GOVERNOR



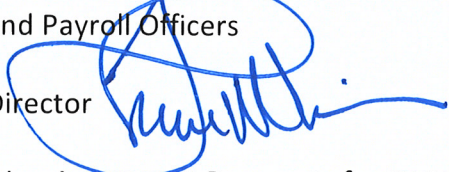
THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

September 22, 2020

To: State and County Personnel and Payroll Officers

From: Thomas Williams, Executive Director 

Re: Retroactive Collective Bargaining Agreement Payments for FY 2020 to FY 2021

This memorandum is to affirm that Act 48, Session Laws of Hawaii 2020, was signed by Governor Ige on September 15, and that the provisions of the law with respect to statewide collective bargaining pay increases extend retroactively to July 2019 and should be reported accordingly to the Employees' Retirement System (ERS).

As you prepare these adjustments for your employees, please be reminded that the detailed distribution of lump sum ERS-eligible retroactive payments must be reported through your payroll files to the ERS. Retirement benefits are based on an employee's credited service and average final compensation – both these factors are directly related to the accurate reporting of salaries earned during their employment. Although retroactive salary adjustments may be calculated and consolidated into one payment, employers should provide the specific amounts allocated for each of the employee's respective past semi-monthly earning periods and identify the corresponding pay types. In addition, if the employee is a Class A (Contributory) or Class H (Hybrid) member, employee contributions should be deducted from ERS eligible compensation.

If your payroll reporting system is unable to provide the information electronically, please complete the Payroll Information Template available on the ERS website at <https://ers.ehawaii.gov/employers/forms>. You will find detailed instructions on completing the spreadsheet and instructions for the secure transmittal of the file to the ERS. Requests for alternate arrangements to report the retroactive payments will be handled on a case-by-case basis.

Should you have any questions regarding ERS work report and payroll template processing, please contact our Employer Team at dbf.ers.sss@hawaii.gov, Subject line: Employer Team.

Thank you in advance for your cooperation.



Employees' Retirement System
of the State of Hawaii

City Financial Tower • 201 Merchant Street, Suite 1400 • Honolulu, Hawaii 96813-2980
Telephone (808) 586-1735 • Fax (808) 586-1677 • <http://ers.ehawaii.gov>