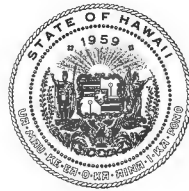


JOSH GREEN, M.D.  
GOVERNOR



LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

July 27, 2023

FINANCE MEMORANDUM

MEMO NO. 23-09

TO: All Department Heads  
  
FROM: Luis P. Salaveria /s/  
for Director of Finance  
  
SUBJECT: Interim Fringe Benefit Rates for FY 24

The most recent U.S. Department of Health and Human Services (DHHS) approved composite fringe benefit rate (RATE) is for FY 20 at 63.28%. Based on the approved FY 20 RATE and on the actual data collected for FY 21 and until new fringe benefit rates are approved by DHHS, the following interim fringe benefit rates for FY 24 will be in effect:

<u>Item</u>	<u>Interim FY 24 Rate</u>
Pension Accumulation	24.00%
Pension Administration	0.01%
Retiree Health Insurance	12.03%
Employees' Health Fund*	7.32%
Workers' Compensation	1.42%
Unemployment Compensation	0.13%
Social Security	6.20%
Medicare	1.45%
Other Post-Employment Benefits	<u>11.69%</u>
Composite Rate	64.25%

\* Should only be used for budgeting purposes. Departments are instructed to charge actual costs as assessed through the payroll system.

It is noted that for FY 24, the pension accumulation rates are as follows:

<u>Job Category</u>	<u>Employer Contribution Rate</u>	<u>Statutory Authorization</u>
General Employees	24.00%	Act 17, SLH 2017
Special Categories (Police Officers, Firefighters, and Corrections Officers)	41.00%	Act 17, SLH 2017
Retiree – Return to Work General Employees	20.20%	Not Applicable*
Retiree – Return to Work Special Categories (Police Officers, Firefighters, and Corrections Officers)	33.90%	Not Applicable*

\* Retiree – Return to Work rates are determined by the Actuary.

Should you have any questions or require further information, please contact me, or your staff may contact Mr. Neal Miyahira, Administrator of this department's Budget, Program Planning and Management Division, at 586-1530.