
A BILL FOR AN ACT

RELATING TO SALARIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The downturn in the United States and global
2 economy caused by the credit crisis, volatility in the mortgage
3 and financial-securities markets, fluctuations in oil prices,
4 and the resulting uncertainty has affected Hawaii and its
5 people. Unemployment has risen, and additional declines in
6 tourism and retail sales are anticipated.

7 The State is facing a projected \$1,100,000,000 budget
8 shortfall for the balance of fiscal year 2009 and the biennium.

9 The purpose of this Act is to reduce the salaries and
10 leaves of absence of certain members of the executive,
11 legislative, and judicial branches of the State in recognition
12 of the current fiscal situation and to lead by example in
13 demonstrating to the people of Hawaii that public officials are
14 doing their share to conserve scarce public resources.

15 SECTION 2. (a) Notwithstanding any law to the contrary
16 and notwithstanding the recommendations of the commission on
17 salaries for salary increases, beginning July 1, 2009 and until
18 June 30, 2011, the annual salaries for the governor, the

1 lieutenant governor, the justices and judges of all state
2 courts, the administrative director of the State or an
3 equivalent position, and the department heads or executive
4 officers and the deputies or assistants to the department heads
5 or executive officers of the departments of:

- 6 (1) Accounting and general services;
- 7 (2) Agriculture;
- 8 (3) The attorney general;
- 9 (4) Budget and finance;
- 10 (5) Business, economic development, and tourism;
- 11 (6) Commerce and consumer affairs;
- 12 (7) Defense;
- 13 (8) Hawaiian home lands;
- 14 (9) Health;
- 15 (10) Human resources development;
- 16 (11) Human services;
- 17 (12) Labor and industrial relations;
- 18 (13) Land and natural resources;
- 19 (14) Public safety;
- 20 (15) Taxation; and
- 21 (16) Transportation,

1 shall be reduced by five per cent from what the salary is as of
2 June 30, 2009, and shall remain at that salary rate until
3 June 30, 2011; provided that on July 1, 2011, the salaries of
4 these positions shall be restored to the level they would have
5 been on July 1, 2009 without the salary decrease under this Act;
6 provided further that the recommendations of the commission on
7 salaries for salary increases for these positions effective July
8 1, 2012, shall become effective on that date in accordance with
9 the recommendations.

10 (b) Notwithstanding any law to the contrary and
11 notwithstanding the recommendations of the commission on
12 salaries for salary increases, beginning July 1, 2009 and until
13 June 30, 2011, the annual salaries of members of the legislature
14 shall be reduced by five per cent from what the salary is as of
15 July 1, 2009; provided that on July 1, 2011, the salaries of the
16 legislators shall be restored to the level it would have been on
17 July 1, 2009 without the salary decrease under this Act;
18 provided further that the recommendations of the commission on
19 salaries for salary increases for legislators effective
20 January 1, 2012, shall become effective on that date in
21 accordance with the recommendations.

1 (c) For the period from July 1, 2009 to July 1, 2011,
2 notwithstanding any law to the contrary, the leaves of absence
3 for vacation and sick leave, with pay, of persons affected under
4 subsection (a) and (b) of this Act shall be the same as those
5 negotiated, mediated, or arbitrated under chapter 89, Hawaii
6 Revised Statutes, for collective bargaining unit (13); provided
7 that on July 1, 2011, the leaves of absence under this
8 subsection shall be restored to the level they would have been
9 on July 1, 2009 but for this subsection.

10 (d) This section shall not be construed to impart any
11 right to additional compensation previously authorized through
12 the adoption of the commission on salaries' recommendations for:

- 13 (1) The period from January 1, 2009, through July 1, 2011,
14 for positions covered under subsection (a); and
15 (2) The period from January 1, 2009, through December 31,
16 2011, for positions covered under subsection (b).

17 (e) This section shall not be enforced to the extent that
18 it is preempted by federal law.

19 SECTION 3. This Act shall take effect on June 30, 2050.

Report Title:

Salary Reduction

Description:

Reduces the salaries of the governor, lieutenant governor, justices and judges of all state courts, administrative director of the state, departmental directors and deputy directors, and members of the legislature. Ties in vacation and sick leave to the amount obtained from collective bargaining for unit (13). Effective 6/30/2050. (SD1)