JAN 23 2009

A BILL FOR AN ACT

RELATING TO THE COMMISSION ON SALARIES.

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

1 SECTION 1. The purpose of this Act is to abolish the 2 commission on salaries that was created by House Bill No. 1918 3 H.D. 1 S.D. 2 C.D. 1, which became Act 299 of the 2006 Regular 4 Session of the Legislature. Act 299 created the commission on 5 salaries that recommends salaries for the governor, lieutenant 6 governor, legislators, justices and judges of state courts, the 7 administrative director of the State, and department heads or 8 executive officers of the executive departments and their 9 deputies or assistants; and repealed or amended then-existing 10 law pertaining to salaries of certain state officials and 11 employees. The Legislature finds that, while Act 299 was well-12 intentioned, the commission on salaries is not sufficiently 13 accountable to the public. The abolition of the commission on 14 salaries will allow legislators to create laws enabling them to 15 deliberate and vote on changes to their own compensation, thus 16 making legislators more accountable to the public. Abolition of 17 the commission on salaries would also allow legislators to enact

S.B. NO. 363

- 1 laws governing changes in compensation other State officials and
- 2 employees.
- 3 SECTION 2. Section 26-51, Hawaii Revised Statutes, is
- 4 amended to read as follows:
- 5 "\$26-51 Governor; lieutenant governor. Effective at noon
- 6 on December 4, 2006, the salaries of the governor and the
- 7 lieutenant governor shall be as last recommended by the
- 8 executive salary commission. Effective July 1, 2007, [and every
- 9 six years thereafter,] the salaries of the governor and
- 10 lieutenant governor shall be as last recommended by the
- 11 commission on salaries [pursuant to section 26-56,] unless
- 12 rejected by the legislature."
- 13 SECTION 3. Section 26-52, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- 15 "\$26-52 Department heads and executive officers. The
- 16 salaries of the following state officers shall be as follows:
- 17 (1) The salary of the superintendent of education shall be
- 18 set by the board of education at a rate no greater than
- 19 \$150,000 a year;
- 20 (2) The salary of the president of the University of Hawaii
- shall be set by the board of regents;



1	(3)	Effective July 1, 2004, the salaries of all department
2		heads or executive officers of the departments of
3		accounting and general services, agriculture, attorney
4		general, budget and finance, business, economic
5		development, and tourism, commerce and consumer
6		affairs, Hawaiian home lands, health, human resources
7		development, human services, labor and industrial
8		relations, land and natural resources, public safety,
9		taxation, and transportation shall be as last
10		recommended by the executive salary commission.
11		Effective July 1, 2007, [and every six years
12		thereafter,] the salaries shall be as last recommended
13		by the commission on salaries [pursuant to section
14		26-56,] unless rejected by the legislature; and
15	(4)	The salary of the adjutant general shall be \$85,302 a
16		year. Effective July 1, 2007, [and every six years
17		thereafter,] the salary of the adjutant general shall
18		be as last recommended by the commission on salaries
19		[pursuant to section 26-56,] unless rejected by the
20		legislature, except that if the state salary is in
21		conflict with the pay and allowance fixed by the tables

S.B. NO. 363

```
1
              of the regular army or air force of the United States,
2
              the latter shall prevail."
         SECTION 4. Section 26-53, Hawaii Revised Statutes, is
3
4
    amended to read as follows:
5
         "§26-53 Deputies or assistants to department heads.
6
    Effective July 1, 2004, the salaries of deputies or assistants to
7
    the head of any department of the State, other than the
8
    department of education, shall be within the range or ranges for
9
    the specific positions as last recommended by the executive
10
    salary commission. Effective July 1, 2007, [and every six years
11
    thereafter, the salaries shall be as last recommended by the
12
    commission on salaries and specified by the appointing official,
    if appropriate, [pursuant to section 26-56,] unless rejected by
13
14
    the legislature."
         SECTION 5. Section 26-54, Hawaii Revised Statutes, is
15
16
    amended to read as follows:
17
         "$26-54 Administrative director of the State. Effective
    July 1, 2004, the salary of the administrative director of the
18
19
    State shall be as last recommended by the executive salary
20
    commission. Effective July 1, 2007, [and every six years
```

thereafter, the salary of the administrative director of the

SB SMO 09-060.doc

```
1
    State shall be as last recommended by the commission on salaries
2
    [pursuant to section 26-56,] unless rejected by the legislature."
3
         SECTION 6. Section 601-3, Hawaii Revised Statutes, is
4
    amended by amending subsection (a) to read as follows:
5
               The chief justice, with the approval of the supreme
6
    court, shall appoint an administrative director of the courts to
7
    assist the chief justice in directing the administration of the
8
    judiciary. The administrative director shall be a resident of
9
    the State for a continuous period of three years prior to the
10
    administrative director's appointment, and shall be appointed
11
    without regard to chapter 76 and shall serve at the pleasure of
12
    the chief justice. The administrative director shall hold no
13
    other office or employment. Effective July 1, 2004, the salary
14
    of the administrative director shall be as last recommended by
15
    the judicial salary commission. Effective July 1, 2007, [and
16
    every six years thereafter, the salary shall be as last
    recommended by the commission on salaries [pursuant to section
17
    26-56, unless disapproved by the legislature."
18
19
         SECTION 7. Section 602-2, Hawaii Revised Statutes, is
20
    amended to read as follows:
```

22 2004, the salary of the chief justice of the supreme court and

"\$602-2 Salary, supreme court justices. Effective July 1,



- 1 the salary of each associate justice of the supreme court shall
- 2 be as last recommended by the judicial salary commission.
- 3 Effective July 1, 2007, [and every six years thereafter,] the
- 4 salary of the chief justice of the supreme court and the salary
- 5 of each associate justice of the supreme court shall be as last
- 6 recommended by the commission on salaries [pursuant to section
- 7 $\frac{26-56_{r}}{1}$ unless disapproved by the legislature."
- 8 SECTION 8. Section 602-52, Hawaii Revised Statutes, is
- 9 amended to read as follows:
- 10 "\$602-52 Salary. Effective July 1, 2004, the salary of the
- 11 chief judge of the intermediate appellate court and the salary of
- 12 each associate judge shall be as last recommended by the judicial
- 13 salary commission. Effective July 1, 2007, [and every six years
- 14 thereafter, the salary of the chief judge of the intermediate
- 15 appellate court and the salary of each associate judge shall be
- 16 as last recommended by the commission on salaries (pursuant to
- 17 section 26-56, unless disapproved by the legislature."
- 18 SECTION 9. Section 603-5, Hawaii Revised Statutes, is
- 19 amended to read as follows:
- 20 "\$603-5 Salary of circuit court judges. Effective July 1,
- 21 2004, the salary of a circuit court judge shall be as last
- 22 recommended by the judicial salary commission. Effective July 1,



```
2007, [and every six years thereafter,] the salary of each
 1
2
    circuit court judge of the various circuit courts of the State
3
    shall be as last recommended by the commission on salaries
 4
    [pursuant to section 26-56,] unless disapproved by the
 5
    legislature."
6
         SECTION 10. Section 604-2.5, Hawaii Revised Statutes, is
7
    amended to read as follows:
8
         "$604-2.5 Salary of district judges. Effective July 1,
9
    2004, the salary of a district court judge shall be as last
10
    recommended by the judicial salary commission. Effective July 1,
    2007, [and every six years thereafter,] the salary of each
11
12
    district court judge of the various district courts of the State
13
    shall be as last recommended by the commission on salaries
14
    [pursuant to section 26-56,] unless disapproved by the
15
    legislature.
16
         Whenever the chief justice appoints a district court judge
17
    of any of the various district courts of the State to serve
    temporarily as a circuit court judge of any of the various
18
19
    circuit courts of the State, the judge shall receive per diem
20
    compensation for the days on which actual service is rendered
```

based on the monthly rate of compensation paid to a circuit court

judge. For the purpose of determining per diem compensation in



21

S.B. NO. 363

```
1
    this section, a month shall be deemed to consist of twenty-one
2
    days."
3
         SECTION 11. Section 26-56, Hawaii Revised Statutes, is
4
    repealed.
5
         ["<del>[$26-56] Commission on salaries. (a) Pursuant to</del>
6
    article XVI, section 3.5, of the Constitution of the State of
7
    Hawaii, there is established a commission on salaries within the
    department of human resources development, for administrative
8
9
    purposes only.
10
         The commission shall consist of seven members of whom:
11
         -(1) Two members shall be appointed by the governor;
         (2) Two members shall be appointed by the president of the
12
13
              senate;
14
         (3) Two members shall be appointed by the speaker of the
15
              house of representatives; and
         (4) One member shall be appointed by the chief justice of
16
              the supreme court.
17
18
         Vacancies in these positions shall be filled in the same
19
    manner. The members of the commission shall serve without
    compensation but shall be reimbursed for expenses, including
20
21
    travel expenses, necessary for the performance of their duties.
```



```
1
         (b) The commission shall review and recommend an
 2
    appropriate salary for the governor, lieutenant governor,
    members of the legislature, justices and judges of all state
 3
 4
    courts, administrative director of the State or an equivalent
 5
    position, and department heads or executive officers and the
 6
    deputies or assistants to the department heads of the
7
    departments of:
8
         (1) Accounting and general services;
 9
         (2) Agriculture;
10
         (3) The attorney general;
11
         (4) Budget and finance;
12
         (5) Business, economic development, and tourism;
13
         (6) Commerce and consumer affairs;
14
         (7) Defense;
15
         (8) Hawaiian home lands;
16
         (9) Health;
17
        (10) Human resources development;
18
        (11) Human services;
        (12) Labor and industrial relations:
19
20
        (13) Land and natural resources;
21
        (14) Public safety;
22
        (15) Taxation; and
```

SB SMO 09-060.doc



```
1
        (16) Transportation.
 2
         The commission shall not review the salary of any position
 3
    in the department of education or the University of Hawaii.
 4
         The commission may recommend different salaries for
 5
    department heads and executive officers and different salary
 6
    ranges for deputies or assistants to department heads; provided
 7
    that the commission shall recommend the same salary range for
    deputies or assistants to department heads within the same
 8
 9
    department; provided further that the appointing official shall
10
    specify the salary for a particular position within the
11
    applicable range.
         The commission shall not recommend salaries lower than
12
13
    salary amounts recommended by prior commissions replaced by this
14
    section.
15
         (c) The commission may seek assistance from the department
16
    of human resources development and any other agency in
17
    conducting its review, and all agencies shall fully cooperate
18
    with the commission and provide any necessary information to the
19
    commission upon request.
         (d) The commission shall convene in the month of November
20
    2006, and every six years thereafter. Not later than the
21
22
    fortieth legislative day of the regular session of 2007, and
    SB SMO 09-060.doc
```

```
every six years thereafter, the commission shall submit a report
1
    of its findings and its salary recommendations to the
2
3
    legislature, through the governor. The commission may include
4
    incremental increases that take effect prior to the convening of
5
    the next salary commission.
         The recommended salaries submitted by the commission shall
6
7
    become effective July 1 of the next fiscal year unless the
    legislature disapproves the recommended salaries submitted by
8
9
    the commission through the adoption of a concurrent resolution,
10
    which shall be approved by a simple majority of each house of
11
    the legislature, prior to adjournment sine die of the
12
    legislative session in which the recommended salaries are
    submitted; provided that any change in salary which becomes
13
14
    effective shall not apply to the legislature to which the
15
    recommendation for the change in salary was submitted.
16
         The governor shall include the salary amounts recommended
17
    by the commission and approved by the legislature for employees
18
    of the executive branch in the executive budget. If the salary
19
    amounts recommended by the commission are disapproved by the
    legislature, the commission shall reconvene in the November next
20
21
    following the legislative disapproval to review the
22
    legislature's reasons for disapproving its salary
```



13

14

15

S.B. NO. 363

2	findings and submit a new salary recommendation to the
3	legislature at the next regular session. The commission's
4	reconvening following a legislative disapproval shall not toll
5	the six-year cycle."]
6	SECTION 12. Statutory material to be repealed is bracketed
7	and stricken.
8	SECTION 13. This Act shall take effect upon ratification
9	of a constitutional amendment repealing the commission on
10	salaries that recommends salaries to the governor, lieutenant
11	governor, legislators, justices and judges of state courts, the
12	administrative director of the State, and department heads or

INTRODUCED BY:

executive officers of the executive departments and their

SB SMO 09-060.doc

deputies or assistants.

Report Title:

Commission on Salaries; Repeal

Description:

Pursuant to a proposed constitutional amendment, amends statutory provisions to delete references to the commission on salaries.