STAND. COM. REP. NO.

1237

Honolulu, Hawaii

APR 0 8 2011

RE: H.B. No. 575 H.D. 1 S.D. 2

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 575, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SALARIES,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the five per cent legislative, executive, and judicial salary reductions from June 30, 2011, to June 30, 2013.

Your Committee received comments on this measure from Rodney A. Maile, Administrative Director of the Courts, the Judiciary, State of Hawaii.

Your Committee finds that Act 85, Session Laws of Hawaii 2009, reduced the salary levels of state legislators, justices, judges, and certain executive branch positions, by five per cent. At the time that Act 85 was passed, the Legislature believed that the economy would rebound soon, and therefore, the salary cuts were scheduled to sunset on June 30, 2011.

Unfortunately, the economy has not recovered as quickly or strongly as expected, and given the current state of the economy and the fiscal condition of the State, your Committee believes that it would be prudent to extend the salary cuts through December 31, 2013.

Your Committee has amended this measure by:



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- (1) Extending the legislative, executive, and judicial salary reduction through December 31, 2013; and
- (2) Clarifying that once the reduction period has expired, the new salaries are to be effective January 1, 2014, based on the recommendations of the Commission on Salaries.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 575, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 575, H.D. 1, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

Anil Yle DAVID Y. ICB. Chair



The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

| Bill / Resolution No.:* | Committee Referral: Dat | | | Date: | te: | | |
|--|---|------------|--------|--------|---------|---|--|
| HB 575, HD1, SD1 | JOL | WAM | | 4-7-11 | | / | |
| The committee is reconsidering its previous decision on this measure. | | | | | | | |
| If so, then the previous decision was to: | | | | | | | |
| The Recommendation is: | | | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | | | |
| Members | | Aye | Aye (W | R) Na | ıy I | Excused | |
| IGE, David Y. (C) | | | | | | | |
| KIDANI, Michelle N. (VC) | | | | | | | |
| CHUN OAKLAND, Suzanne | | | | | | | |
| DELA CRUZ, Donovan M. | | | | | | | |
| ENGLISH, J. Kalani | | | | | | 1 Andrew 2011 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - 197 - | |
| ESPERO, Will | | | | | | | |
| FUKUNAGA, Carol | | | | | · · · · | | |
| KIM, Donna Mercado | | \sim $/$ | | | | | |
| KAHELE, Gilbert | | | | | | | |
| KOUCHI, Ronald D. | | | | | | | |
| RYAN, Pohai | | | | | | | |
| TOKUDA, Jill N. | | | | | | | |
| WAKAI, Glenn | | | - | | | · · · · · · · · · · · · · · · · · · · | |
| SLOM, Sam | | 2 | | | | | |
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| TOTAL | | 14 | C | j | 2 | D | |
| Recommendation: | | | | | | | |
| Adopted Not Adopted | | | | | | | |
| Chair's or Designee's Signature: | | | | | | | |
| Michille Rolani | | | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | | | |
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*Only one measure per Record of Votes