

A Bill for an Act Relating to the Compensation of Public Employees and Amending Act 302, Session Laws of Hawaii 1967.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

Act 302, Session Laws of Hawaii 1967, relating to the compensation of public employees, provided a separate compensation plan for "blue-collar" classes to reflect the average of prevailing wages paid in the State for the same or similar kinds of positions. The Act aims to provide a level of salaries and wages which will assure government employees in "blue-collar" classes fair and reasonable compensation in a manner which is consistent with a competitive position in the labor market in which government must compete with other sectors for its manpower needs. However, there may be some sections of Act 302 which may lead to inequities in the establishment of the compensation plan. It is urgent and in the public interest that legislation be enacted to implement Act 302 and amend all sections thereof which may be necessary.

SECTION 2. **Purpose.** The purpose of this Act is to amend Act 302, Session Laws of Hawaii 1967, to: (1) adjust the cost of blue-collar wages to the financial condition of the State; (2) provide for a new blue-collar wage plan which is equitable to all employees of the State; and (3) specify the means whereby the prevailing wages in the community may be determined.

SECTION 3. Section 4-4.1 of the Revised Laws of Hawaii 1955, as provided for in section 2 of Act 302, Session Laws of Hawaii 1967, is hereby amended as follows:

(a) The second sentence of the first paragraph is amended to read as follows:

"The pay of employees who occupy such positions shall be fixed and adjusted biennially and shall, as nearly as is consistent with the public interest, reflect the average of prevailing wages paid in the State for the same or similar kinds of bench mark positions; provided that the provision of section 4-4, where it is not inconsistent with the provisions of this Act shall be applicable."

(b) The first paragraph of subsection a and paragraphs 1 and 2 of subsection a are hereby amended to read as follows:

a. In the new wage rate plan, the monthly rates of pay for blue-collar positions shall be determined by application of prevailing wages which shall be in accordance with the following provisions; provided that the wage survey

conducted for this purpose shall not include wages paid by the construction industry but shall include wages paid in other private industries and government jurisdictions in the State of Hawaii other than state and local jurisdictions, employing personnel in the State of Hawaii; provided further that if data on prevailing wages in the State for a class is lacking or insufficient, reasonable wage data of other areas which have pertinence to the State of Hawaii may be used:

1. the salary schedule applicable to blue-collar positions shall be comprised of 4 increment steps at 5% intervals.

2. the average of prevailing wages shall be reflected at step 3 of the schedule.

(c) Subsection c is hereby amended as follows:

(1) By amending the title to subsection c to read:
"Implementation of wage board salary schedule."

(2) By deleting the words and figure "section 2a of this Act" from the first paragraph of paragraph 1 and substituting therefor the words and letter "subsection a of this section".

(3) By deleting the year "1967" from the second paragraph of paragraph 1 and substituting therefor the year "1969".

(4) By amending the first paragraph of paragraph 2 to read as follows:

"2. The appeals board referred to in section 4-4 shall provide for the publication of the tentative compensation plan. All petitions for appeal against the compensation plan, including the pricing of classes or whether the class should be included or excluded from the blue-collar plan, shall be filed with the appeals board within 20 days from the date of publication of the tentative plan."

(5) By deleting the year "1968" from the third paragraph and substituting therefor the year "1970".

(6) By amending the second sentence of the fourth paragraph to read as follows:

"The effective date of the approved plans shall be July 1, 1970; provided that the existing compensation for blue-collar positions shall remain in effect until the establishment and implementation of the new wage rate plan as provided herein."

(7) By adding at the end of the fourth paragraph of paragraph 2 the following:

"The legislature adopts the assignment of positions and classes to the wage board levels as submitted by the governor to the 1968 budget session. Notwithstanding the foregoing, for the period April 1, 1968 to June 30, 1970, the legislature approves the following wage schedules:

**WAGE BOARD SCHEDULE
NON-SUPERVISORY**

WB	1	2	3	4
1	354 2.04	373 2.15	390 2.25	411 2.37
2	381 2.20	400 2.31	419 2.42	440 2.54
3	388 2.24	407 2.35	428 2.47	449 2.59
4	413 2.38	433 2.50	456 2.63	478 2.76
5	439 2.53	461 2.66	484 2.79	508 2.93
6	465 2.68	487 2.81	511 2.95	537 3.10
7	489 2.82	513 2.96	539 3.11	567 3.27
8	515 2.97	541 3.12	567 3.27	596 3.44
9	567 3.27	595 3.43	626 3.61	657 3.79
10	593 3.42	622 3.59	653 3.77	686 3.96
11	621 3.58	652 3.76	683 3.94	718 4.14
12	647 3.73	679 3.92	712 4.11	749 4.32
13	673 3.88	707 4.08	742 4.28	780 4.50
14	700 4.04	735 4.24	771 4.45	809 4.67
15	726 4.19	763 4.40	801 4.62	841 4.85

**WAGE BOARD SCHEDULE
SUPERVISORY**

Effective Grade Supervised	Foreman Level	1	2	3	4
		1	WF	390 2.25	409 2.36
	F I	425 2.45	447 2.58	468 2.70	492 2.84
	F II	461 2.66	484 2.79	508 2.93	534 3.08
	F III	496	520	546	574

		2.86	3.00	3.15	3.31
	GF	532	558	586	615
		3.07	3.22	3.38	3.55
2	WF	419	440	463	485
		2.42	2.54	2.67	2.80
	F I	458	480	504	529
		2.64	2.77	2.91	3.05
	F II	496	520	546	574
		2.86	3.00	3.15	3.31
	F III	534	560	588	617
		3.08	3.23	3.39	3.56
	GF	572	600	629	662
		3.30	3.46	3.63	3.82
3	WF	426	449	471	494
		2.46	2.59	2.72	2.85
	F I	466	489	513	539
		2.69	2.82	2.96	3.11
	F II	504	530	556	584
		2.91	3.06	3.21	3.37
	F III	544	570	600	629
		3.14	3.29	3.46	3.63
	GF	582	612	641	674
		3.36	3.53	3.70	3.89
4	WF	454	477	501	527
		2.62	2.75	2.89	3.04
	F I	496	520	546	574
		2.86	3.00	3.15	3.31
	F II	537	563	593	622
		3.10	3.25	3.42	3.59
	F III	579	607	638	669
		3.34	3.50	3.68	3.86
	GF	621	650	683	718
		3.58	3.75	3.94	4.14
5	WF	482	506	532	558
		2.78	2.92	3.07	3.22
	F I	527	553	581	608
		3.04	3.19	3.35	3.51
	F II	570	598	629	660
		3.29	3.45	3.63	3.81
	F III	614	645	678	711
		3.54	3.72	3.91	4.10
	GF	659	690	725	761
		3.80	3.98	4.18	4.39
6	WF	510	536	563	591
		2.94	3.09	3.25	3.41
	F I	556	584	614	645

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		3.21	3.37	3.54	3.72
	F II	603	633	666	699
		3.48	3.65	3.84	4.03
	F III	650	681	716	752
		3.75	3.93	4.13	4.34
	GF	695	731	768	806
		4.01	4.22	4.43	4.65
7	WF	537	565	593	622
		3.10	3.26	3.42	3.59
	F I	588	617	647	679
		3.39	3.56	3.73	3.92
	F II	636	667	700	737
		3.67	3.85	4.04	4.25
	F III	685	719	756	792
		3.95	4.15	4.36	4.57
	GF	733	770	809	849
		4.23	4.44	4.67	4.90
8	WF	567	595	624	655
		3.27	3.43	3.60	3.78
	F I	617	648	681	714
		3.56	3.74	3.93	4.12
	F II	669	702	737	775
		3.86	4.05	4.25	4.47
	F III	721	756	794	834
		4.16	4.36	4.58	4.81
	GF	771	809	851	893
		4.45	4.67	4.91	5.15
9	WF	624	655	688	723
		3.60	3.78	3.97	4.17
	F I	679	714	751	787
		3.92	4.12	4.33	4.54
	F II	737	773	813	853
		4.25	4.46	4.69	4.92
	F III	794	834	875	919
		4.58	4.81	5.05	5.30
	GF	851	893	938	985
		4.91	5.15	5.41	5.68
10	WF	653	685	719	756
		3.77	3.95	4.15	4.36
	F I	712	747	785	825
		4.11	4.31	4.53	4.76
	F II	771	809	851	893
		4.45	4.67	4.91	5.15
	F III	830	872	915	962
		4.79	5.03	5.28	5.55
	GF	889	934	981	1030

		5.13	5.39	5.66	5.94
11	WF	681	716	752	789
		3.93	4.13	4.34	4.55
	F I	744	782	820	861
		4.29	4.51	4.73	4.97
	F II	806	846	889	933
		4.65	4.88	5.13	5.38
	F III	868	912	957	1005
		5.01	5.26	5.52	5.80
	GF	929	976	1024	1076
		5.36	5.63	5.91	6.21
12	WF	711	747	783	823
		4.10	4.31	4.52	4.75
	F I	777	815	855	898
		4.48	4.70	4.93	5.18
	F II	841	882	927	972
		4.85	5.09	5.35	5.61
	F III	905	950	998	1049
		5.22	5.48	5.76	6.05
	GF	971	1017	1069	1123
		5.60	5.87	6.17	6.48
13	WF	740	778	816	856
		4.27	4.49	4.71	4.94
	F I	808	848	891	934
		4.66	4.89	5.14	5.39
	F II	875	919	965	1012
		5.05	5.30	5.57	5.84
	F III	943	990	1038	1090
		5.44	5.71	5.99	6.29
	GF	1009	1061	1113	1168
		5.82	6.12	6.42	6.74
14	WF	770	808	849	891
		4.44	4.66	4.90	5.14
	F I	839	882	926	972
		4.84	5.09	5.34	5.61
	F II	910	955	1004	1052
		5.25	5.51	5.79	6.07
	F III	979	1028	1080	1134
		5.65	5.93	6.23	6.54
	GF	1049	1102	1158	1215
		6.05	6.36	6.68	7.01
15	WF	799	839	881	926
		4.61	4.84	5.08	5.34
	F I	872	915	960	1009
		5.03	5.28	5.54	5.82
	F II	945	991	1042	1094

	5.45	5.72	6.01	6.31
F III	1017	1068	1121	1177
	5.87	6.16	6.47	6.79
GF	1090	1144	1201	1262
	6.29	6.60	6.93	7.28

(8) Paragraph 3 is hereby amended to read as follows:

3. The salaries of employees who are covered under this section shall be converted from the existing schedule in the following manner:

(a) employees in steps B, C, D, and E of the existing salary schedule shall be assigned to step 1.

(b) employees in step F of the existing salary schedule shall be assigned to step 2.

(c) employees in step G of the existing salary schedule shall be assigned to step 3.

(d) employees in all longevity steps of the existing salary schedule shall be assigned to step 4.

(e) employees whose existing salary rates exceed the wage rates assigned to them under the new wage board schedules shall retain their existing rates until such time as their assigned wage rates exceed their salary rates which existed on the effective date of the conversion.

(f) the state shall assume the implementation cost of this plan for the counties for the period April 1, 1968 to June 30, 1968.

(d) Subsection d is hereby amended to read as follows:

d. Subsequent implementation of the wage board schedules. The compensation plan and wage board schedules for positions covered under this section shall be reviewed and adjusted biennially in accordance with subsection c of this section; provided that the November 15th date shall apply to odd-numbered years and the third Wednesday in February shall apply to even-numbered years. Said next adjusted plan and wage board schedules shall take effect on July 1, beginning in 1970 and in each even-numbered year thereafter."

SECTION 4. Section 3 of Act 302, Session Laws of Hawaii 1967, is hereby amended to read as follows:

"SECTION 3. Section 4-9, Revised Laws of Hawaii 1955, is hereby amended by adding thereto a new paragraph at the end thereof to read as follows:

"Any employee whose pay rate is converted to the compensation plan provided for under section 4-4.1, effective April 1, 1968, shall not receive the normal annual increment or longevity step to which he would have otherwise been entitled during the fiscal year 1968-69. In subsequent adjustments, any employee who is paid under the compensation plan provided for under section 4-4.1 shall not be entitled to his normal annual increment for a year's satisfactory service in any fiscal year that an increase in the wage schedule is effected."

SECTION 5. The sum of \$2,789,142, or so much thereof as may be

necessary, is hereby appropriated to the department of budget and finance from the general revenues as a supplement to and for the additional cost of pay increases provided for in Act 302, Session Laws of 1967, as amended by this Act.

SECTION 6. This Act shall take effect upon its approval.
(Approved May 10, 1968.)