

A Bill for an Act Relating to Compensation of Public Officers and Employees.

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

SECTION 1. Section 77-9, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 77-9 Initial appointments.** All initial appointments shall be made at the first step of the appropriate salary range. In the event that the recruitment of an employee is not possible at the first step, the director may, after appropriate notice and advertising, recruit at the lowest step within the appropriate salary range at which an employee can be recruited.

Where deemed essential in the public interest, the director may, with the prior approval of the chief executive, declare a class in which a shortage occurs to be in a shortage category, and establish the lowest step within the salary range which is fair and reasonable and at which employees can be recruited from the labor market as the minimum salary level for that class.

The director shall review each shortage category class at least once each year to determine whether the manpower shortage exists to the same degree as previously determined and shall adjust the entry level accordingly. If he determines that a shortage no longer exists, the director shall reestablish the first step of the appropriate salary range as the entry level for the class. The director shall report all state shortage category determinations and the justifications therefor to the legislature not later than ten days prior to the opening of each regular session and, in the case of the counties, similar reports shall be made to the council not later than July 15 each year.

No incumbent in a shortage category class shall be compensated at a rate less than his entry level; provided, that an employee who moves from one political jurisdiction to another within the State shall have his pay rate adjusted to the pay rate in effect in the political jurisdiction to which he moves.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

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\*Edited accordingly.

**SECTION 3.** This Act shall take effect upon its approval.  
(Approved June 3, 1974.)