

A Bill for an Act Relating to the Compensation of Public Officers and Employees Covered by Chapter 77, Hawaii Revised Statutes.

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

SECTION 1. The pay structures (number of steps and pay ranges) for classes of positions covered under chapter 77, Hawaii Revised Statutes, are currently fixed by law in sections 77-5 and 77-13, Hawaii Revised Statutes. The legislature finds that the pay structures for excluded non-managerial positions covered under chapter 77, Hawaii Revised Statutes, should continue to be fixed by law. For excluded managerial positions covered under chapter 77, Hawaii Revised Statutes, the legislature believes that the chief executives should have the discretion to develop an appropriate pay structure. Therefore, the chief executives of the State and counties and the chief justice of the supreme court are hereby authorized to develop an appropriate pay structure for excluded managerial positions covered under chapter 77, Hawaii Re-

vised Statutes, in accordance with the provisions set forth in chapter 89C, Hawaii Revised Statutes. They shall determine which positions under chapter 77, Hawaii Revised Statutes, are managerial, but no position shall be designated as managerial unless or until the employee occupying such position has been excluded from coverage under chapter 89, Hawaii Revised Statutes.

The legislature further finds that the existing pay schedules under chapter 77, Hawaii Revised Statutes, (the amount of wages to be paid at each step and pay range) are obsolete. Pay schedules for employees included in collective bargaining units under chapter 89, Hawaii Revised Statutes, are subject to negotiations. Pay schedules for employees excluded from coverage under chapter 89, Hawaii Revised Statutes, are subject to the provisions of chapter 89C, Hawaii Revised Statutes. Therefore, the obsolete rates contained in section 77-13, Hawaii Revised Statutes, are being deleted and the authorities by which pay schedules are to be established are being inserted.

SECTION 2. Section 77-13, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 77-13 Salary structures and schedules for white-collar positions. (a) The salary structures for white-collar positions covered under this chapter shall be comprised of thirty-one salary ranges, designated SR 4 to SR 31, SC-1, SC-2, and SC-3, with each range consisting of ten steps, designated B to G and L-1 to L-4; provided that range SC-2 shall consist of nine steps, designated B to G, L-1, L-2, and L-3, and range SC-3 shall consist of eight steps, designated B to G, L-1, and L-2.

(b) The salary schedules applicable to employees in white-collar positions, who are included in appropriate bargaining units under section 89-6(a), shall be subject to negotiations. The salary schedules applicable to employees in nonmanagerial white-collar positions, who are excluded from coverage under chapter 89, shall be subject to chapter 89C.

(c) Whenever payment is made on the basis of monthly, weekly, hourly, or daily rate, the rate shall be computed in the following manner:

- (1) By dividing the annual rate by twelve in order to find the monthly rate;
- (2) By dividing the annual rate by fifty-two in order to find the weekly rate;
- (3) By dividing the weekly rate by forty in order to find the hourly rate; and
- (4) By multiplying the hourly rate by the number of daily hours of service required in order to find the daily rate.

(d) Salary ranges SC-1, SC-2, and SC-3 shall be utilized in the following manner:

- (1) Salary ranges SC-1, SC-2, and SC-3 may be utilized by the State and counties for physicians and psychiatrists positions.
- (2) No position shall be classified and paid in salary ranges SC-1, SC-2, and SC-3 unless specifically recommended by the director of personnel services and approved by the governor, or recommended by the personnel director of a county and approved by the respective council and mayor.
- (3) There shall be at any given period not more than sixteen positions classified and paid in salary ranges SC-1, SC-2, and SC-3 by the State and not more than eight positions classified and paid in salary ranges SC-1, SC-2, and SC-3 by any county. Psychiatrists and physician positions shall be excluded from the above mentioned totals.

- (4) The salary of any employee assigned to SC-1, SC-2, or SC-3 shall not be more than the applicable limits under section 78-18.
- (5) The director of personnel services and the personnel directors of each county shall report annually to the legislature as to the manner in which the positions assigned to salary ranges SC-1, SC-2, and SC-3 are being used.”

SECTION 3. Chapter 77, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“**Sec. 77- Compensation plan for managerial white-collar positions.** (a) The chief executives of the State and counties and the chief justice of the supreme court shall determine which white-collar positions under this chapter are managerial; provided that no position shall be designated as managerial unless or until the employee occupying such position has been excluded from coverage under chapter 89.

(b) The salary structure for managerial white-collar positions covered under this chapter shall be comprised of such number of salary ranges with each range consisting of such number of steps as the chief executives of the State and counties and the chief justice of the supreme court deem appropriate under the provisions set forth in chapter 89C.

(c) The salary schedule applicable to employees in managerial white-collar positions shall be subject to chapter 89C.”

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored.*

SECTION 5. This Act shall take effect upon its approval.

(Approved June 13, 1980.)

*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.