

ACT 110

H.B. NO. 2761

A Bill for an Act Relating to Salary Payments to New Employees.

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

SECTION 1. The purpose of this Act is to allow the comptroller to pay all new employees by electronic funds transfer unless another method has been determined by the comptroller to be appropriate and to allow the comptroller to pay all

new employees on the same pay dates and for the same periods as non-salaried employees.

SECTION 2. Section 40-53, Hawaii Revised Statutes, is amended to read as follows:

“§40-53 Salary and pension [warrants.] payments. (a) All [warrants] payments for permanent settlements, specific and all other salaries, excepting that of the comptroller and deputy comptroller, shall be drawn by the comptroller, payable to each individual to whom the State is directly indebted, except as provided for in section 40-58[, and the warrants shall be receipted for]. No permanent settlements nor salary [warrants] checks shall be paid by the director of finance until the person in whose favor the [warrant] check is drawn shall have indorsed the person’s signature thereon. The salaries of the comptroller and deputy comptroller shall be paid by the director when due as in this chapter provided upon [warrants] checks approved by the governor.

(b) All employees hired on or after July 1, 1998, shall designate a financial institution account into which the State is authorized to deposit the employee’s pay. The comptroller may waive the requirements of this section for any state employee upon request by the head of the employing department under policies prescribed by the comptroller. The implementation of this section shall not be subject to negotiation under chapter 89.”

SECTION 3. Section 78-13, Hawaii Revised Statutes, is amended to read as follows:

“§78-13 Salary periods. (a) Unless otherwise provided by law, all officers and employees shall be paid at least semimonthly except that substitute teachers, part-time hourly rated teachers of adult and evening classes, and other part-time, intermittent, or casual employees may be paid once a month and that the governor, upon reasonable notice and upon determination that the payroll payment basis should be converted from predicted payroll to after-the-fact payroll, may allow a one-time once a month payroll payment to all public officers and employees to effect a conversion to after-the-fact payroll as follows:

- (1) The implementation of the after-the-fact payroll will commence with the June 30, 1998, pay day, which will be delayed to July 1, 1998;
- (2) The July 15, 1998, pay day will be delayed to July 17, 1998;
- (3) The July 31, 1998, pay day will be delayed to August 3, 1998;
- (4) The August 14, 1998, pay day will be delayed to August 19, 1998;
- (5) The August 31, 1998, pay day will be delayed to September 4, 1998;
- (6) The September 15, 1998, pay day will be delayed to September 18, 1998; and
- (7) Thereafter, pay days will be on the fifth and the twentieth of every month. If the fifth and the twentieth fall on a state holiday, Saturday, or Sunday, the pay day will be the immediately preceding weekday.

The implementation of the after-the-fact payroll shall not be subject to negotiation under chapter 89.

(b) All employees, except those belonging to bargaining units 5 and 7, hired on or after July 1, 1998, shall be paid on the same pay dates and for the same pay periods as non-salaried employees.”

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

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SECTION 5. This Act shall take effect on June 30, 1998.

(Approved June 5, 1998.)