ACT 225

H.B. NO. 1528

A Bill for an Act Relating to Public Employees.

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

PART I

SECTION 1. Section 23-3, Hawaii Revised Statutes, is amended to read as follows:

"\$23-3 Salary of the auditor and appropriations. The salary of the auditor shall be fixed by the legislature and shall not be diminished during the auditor's term of office. Effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the salary of the auditor shall be [\$81,629 and \$85,302 a year, respectively.] the same as the salary of the director of health.

The funds for the support of the auditor's office shall be provided for in the act providing for the expenses of the legislature."

SECTION 2. Section 23-8, Hawaii Revised Statutes, is amended to read as follows:

"\$23-8 Assistance and staff. In the performance of the auditor's duties, the auditor may employ the services of one or more certified public accountants or accounting firms, and [sueh] other assistants and clerical workers as may be necessary[,]; provided the cost thereof shall not exceed [sueh] the sums as may be available out of the appropriation provided by law for the conduct of the auditor's office [and]; provided further that [sueh] the accountants, firms, and assistants are entirely independent of the departments, offices, and agencies of the State and its political subdivisions whose affairs are subject to audit by the auditor.

All employees shall be hired by the auditor subject to the approval of the president of the senate and the speaker of the house of representatives and shall serve at the auditor's pleasure; provided that in the establishment of the salary of each employee, the auditor shall consult with the department of human resources development and shall follow as closely as possible the recommendations of the department; [and] provided further that effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the salary of the first assistant or first deputy shall be [\$69,748_and \$72,886_a_year, respectively.] not more than eighty-seven per cent of the salary of the auditor. The auditor and the auditor's full-time staff shall be entitled to participate in any employee benefit program privileges."

SECTION 3. Section 23G-1, Hawaii Revised Statutes, is amended to read as follows:

"\$23G-1 Legislative reference bureau; director, appointment, tenure, removal, compensation, vacancy. The office of the legislative reference bureau is established. The legislature, by a majority vote of each house in joint session, shall appoint a director for the bureau who shall serve for a period of six years and thereafter until a successor shall have been appointed. The legislature, by two-thirds vote of the members in joint session, may remove or suspend the director from office, but only for neglect of duty, misconduct, or disability.

If the director dies, resigns, becomes ineligible to serve, or is removed or suspended from office, the first assistant to the director shall become the acting

director until a new director is appointed.

Effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the salary of the director shall be [\$81,629 and \$85,302 a year, respectively.] the same as the salary of the director of health. The salary of the director shall not be diminished during the director's term of office, unless by general law applying to all salaried officers of the State."

SECTION 4. Section 23G-2, Hawaii Revised Statutes, is amended to read as follows:

"\$23G-2 Assistant; staff. The director shall appoint a first assistant and [such] other officers and employees as may be necessary to carry out the functions of the bureau. All employees, including the first assistant, shall be hired by the director and shall serve at the director's pleasure. In determining the salary of the employees of the bureau, the director shall consult with the department of human resources development; provided that, effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the salary of the first assistant shall be [\$69,748 and \$72,886 a year, respectively.] not more than eighty-seven per cent of the salary of the director. The director and the director's full-time staff shall be entitled to participate in any employee benefit program plan or privilege."

SECTION 5. Section 84-35, Hawaii Revised Statutes, is amended to read as follows:

"§84-35 Staff. The ethics commission may employ and at pleasure remove such persons, including an executive director, as it may deem necessary for the performance of its functions. [The salary of the executive director shall not exceed that of a deputy under section 26-53.] Effective July 1, 2005, the salary of the executive director shall be the same as the salary of the director of health. The commission shall fix the compensations of its employees within the amounts made available by appropriation therefor. The employees of the commission shall be exempt from chapter 76."

SECTION 6. Section 96-2, Hawaii Revised Statutes, is amended to read as follows:

"§96-2 Ombudsman; office established, appointment, tenure, removal, qualifications, salary, vacancy. The office of ombudsman is established. The legislature, by a majority vote of each house in joint session, shall appoint an ombudsman who shall serve for a period of six years and thereafter until a successor shall have been appointed. An ombudsman may be reappointed but may not serve for more than three terms. The legislature, by two-thirds vote of the members in joint session, may remove or suspend the ombudsman from office, but only for neglect of duty, misconduct, or disability.

No person may serve as ombudsman within two years of the last day on which the person served as a member of the legislature, or while the person is a candidate for or holds any other state office, or while the person is engaged in any other occupation for reward or profit. Effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the salary of the ombudsman shall be [\$81,629 and \$85,302 a year, respectively.] the same as the salary of the director of health. The salary of the ombudsman shall not be diminished during the ombudsman's term of office, unless by general law applying to all salaried officers of the State.

If the ombudsman dies, resigns, becomes ineligible to serve, or is removed or suspended from office, the first assistant to the ombudsman becomes the acting

ombudsman until a new ombudsman is appointed for a full term."

SECTION 7. Section 96-3, Hawaii Revised Statutes, is amended to read as follows:

"\$96-3 Assistance, staff, delegation, funding. The ombudsman shall appoint a first assistant and [sueh] other officers and employees as may be necessary to carry out this chapter. All employees, including the first assistant, shall be hired by the ombudsman and shall serve at the ombudsman's pleasure. In determining the salary of each [sueh] employee, the ombudsman shall consult with the department of human resources development and shall follow as closely as possible the recommendations of the department. Effective [January 1, 1989, and January 1, 1990,] July 1, 2005, the first assistant's salary shall be [\$69,748 and \$72,886 a year, respectively.] not more than eighty-seven per cent of the salary of the ombudsman. The ombudsman and the ombudsman's full-time staff shall be entitled to participate in any employee benefit plan.

The ombudsman may delegate to the ombudsman's appointees any of the ombudsman's duties except those specified in sections 96-12 and 96-13; provided that during the absence of the ombudsman from the island of Oahu, or the ombudsman's temporary inability to exercise and discharge the powers and duties of the ombudsman's office, [such] the powers and duties as contained in sections 96-12 and 96-13 shall devolve upon the first assistant during [such] the ombudsman's

absence or inability.

The funds for the support of the office of the ombudsman shall be provided for in the act providing for the expenses of the legislature."

PART II

SECTION 8. There are appropriated out of the general revenues of the State of Hawaii to the legislative agencies indicated below the following sums or so much thereof as may be necessary for fiscal year 2005-2006 to fund the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for officers and employees of these agencies excluded from collective bargaining:

	FY 2005-2006
State ethics commission	\$25,087
Office of the auditor	\$61,035
Office of the legislative reference bureau	\$74,749
Office of the ombudsman	\$25,802.

The sums appropriated shall be expended by the respective heads of the legislative agencies for the purposes of this Act.

SECTION 9. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid in whole or in part from

federal, special, or other funds shall be paid wholly or proportionally, as the case may be, from the respective funds.

SECTION 10. Funds appropriated or authorized by this Act that are not expended or encumbered by the last day of the fiscal year for which they were appropriated or authorized shall lapse as of that date.

PART III

SECTION 11. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 12. This Act shall take effect on July 1, 2005.

(Became law on July 12, 2005, without the Governor's signature, pursuant to Art. III, $\S16$, State Constitution.)