

ACT 85

H.B. NO. 1536

A Bill for an Act Relating to Salaries.

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

SECTION 1. The downturn in the United States and global economy caused by the credit crisis, volatility in the mortgage and financial-securities markets, fluctuations in oil prices, and the resulting uncertainty has affected Hawaii and its people. Unemployment has risen, and additional declines in tourism and retail sales are anticipated.

The State is facing a projected \$1,100,000,000 budget shortfall for the balance of fiscal year 2009 and the biennium.

The purpose of this Act is to reduce the salaries and leaves of absence of certain members of the executive, legislative, and judicial branches of the State in recognition of the current fiscal situation and to lead by example in demonstrating to the people of Hawaii that public officials are doing their share to conserve scarce public resources.

SECTION 2. (a) Notwithstanding any law to the contrary and notwithstanding the recommendations of the commission on salaries for salary increases, beginning July 1, 2009, and until June 30, 2011, the annual salaries of the governor, the lieutenant governor, the justices and judges of all state courts, the administrative director of the State or an equivalent position, and the department heads or executive officers and the deputies or assistants to the department heads or executive officers of the departments of:

- (1) Accounting and general services;
- (2) Agriculture;
- (3) The attorney general;

- (4) Budget and finance;
- (5) Business, economic development, and tourism;
- (6) Commerce and consumer affairs;
- (7) Defense;
- (8) Hawaiian home lands;
- (9) Health;
- (10) Human resources development;
- (11) Human services;
- (12) Labor and industrial relations;
- (13) Land and natural resources;
- (14) Public safety;
- (15) Taxation; and
- (16) Transportation,

shall be reduced by five per cent from what the salary is as of June 30, 2009, and shall remain at that salary rate until June 30, 2011; provided that on July 1, 2011, the salaries of these positions shall be restored to the level they would have been on July 1, 2009, without the salary decrease under this Act; provided further that the recommendations of the commission on salaries for salary increases for these positions effective July 1, 2012, shall become effective on that date in accordance with the recommendations.

(b) Notwithstanding any law to the contrary and notwithstanding the recommendations of the commission on salaries for salary increases, beginning July 1, 2009, and until June 30, 2011, the annual salaries of members of the legislature shall be reduced by five per cent from what the salary is as of June 30, 2009; provided that on July 1, 2011, the salaries of the legislators shall be restored to the level it would have been on July 1, 2009, without the salary decrease under this Act; provided further that the recommendations of the commission on salaries for salary increases for legislators effective January 1, 2012, shall become effective on that date in accordance with the recommendations.

(c) For the period from July 1, 2009, to July 1, 2011, notwithstanding any law to the contrary, the leaves of absence for vacation and sick leave, with pay, of persons affected under subsection (a) and (b) shall be the same as those negotiated, mediated, or arbitrated under chapter 89, Hawaii Revised Statutes, for collective bargaining unit (13); provided that on July 1, 2011, the leaves of absence under this subsection shall be restored to the level they would have been on July 1, 2009, but for this subsection.

(d) This section shall not be construed to impart any right to additional compensation previously authorized through the adoption of the commission on salaries' recommendations for:

- (1) The period from January 1, 2009, through July 1, 2011, for positions covered under subsection (a); and
- (2) The period from January 1, 2009, through December 31, 2011, for positions covered under subsection (b).

(e) This section shall not be enforced to the extent that it is preempted by federal law.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 2, 2009.)