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A BILL FOR AN ACT

RELATING TO SALARIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The salaries of the stadium manager, vice-  
2 director of civil defense, executive director of the Hawaii  
3 housing and finance development corporation, and chairperson of  
4 the public utilities commission are linked to the salary of the  
5 director of human resources development, which is in the lowest  
6 compensation tier for department heads. The existing salaries  
7 of those positions are not commensurate with their duties and  
8 responsibilities and the importance and complexity of the  
9 programs that they head. In order to attract and retain highly  
10 qualified individuals, the salaries of the positions should be  
11 set at or limited to ninety-two per cent of the salary of the  
12 director of health, which is in the second highest compensation  
13 tier for department heads.

14           SECTION 2. Section 109-2, Hawaii Revised Statutes, is  
15 amended to read as follows:

16           "**§109-2 Stadium authority; powers and duties.** The powers  
17 and duties of the stadium authority shall be as follows:

- 1           (1) To maintain, operate, and manage the stadium and  
2           related facilities, and to provide for the  
3           maintenance, operation, management, and promotion of  
4           the Kapolei recreational sports complex;
- 5           (2) To prescribe and collect rents, fees, and charges for  
6           the use or enjoyment of the stadium or any of its  
7           facilities;
- 8           (3) To make and execute contracts and other instruments  
9           necessary or convenient to exercise its powers under  
10          this chapter and subject to any limitations in this  
11          chapter, to exercise all powers necessary, incidental,  
12          or convenient to carry out and effectuate the purposes  
13          and provisions of this chapter, including entering  
14          into contracts under chapter 102 or 103D for the  
15          management of the Kapolei recreational sports complex,  
16          to include but not be limited to the operation,  
17          maintenance, and promotion of the complex in a manner  
18          that is beneficial to both the State and the  
19          contractor. These contracts may contain revenue  
20          sharing incentives based on increased usage of the  
21          complex;

- 1           (4) To adopt, amend, and repeal in accordance with chapter  
2           91 rules it may deem necessary to effectuate this  
3           chapter and in connection with its projects,  
4           operations, and facilities;
- 5           (5) To appoint a manager and a deputy manager who shall  
6           have such qualifications as the authority deems  
7           necessary and who shall hold their respective offices  
8           at the pleasure of the authority. The manager and  
9           deputy manager shall be exempt from the requirements  
10          of chapters 76 and 89. Effective July 1, ~~[2005,]~~  
11          2008, the manager shall be paid a salary not to exceed  
12          ~~[eighty-seven]~~ ninety-two per cent of the salary of  
13          the director of ~~[human resources development.]~~  
14          health. Effective July 1, 2005, the deputy manager  
15          shall be paid a salary not to exceed eighty-five per  
16          cent of the manager's salary. The manager shall have  
17          full power to administer the affairs of the stadium  
18          and related facilities, and to provide for a  
19          management contract for the Kapolei recreational  
20          sports complex, subject to the direction and approval  
21          of the authority. The manager shall, subject to the  
22          approval of the authority, have power to appoint,

1 suspend, and discharge a secretary who shall be exempt  
2 from the requirements of chapters 76 and 89, and such  
3 other employees, subordinates, and assistants as may  
4 be necessary for the proper conduct of the business of  
5 the authority. Except for persons hired on contract  
6 or otherwise as provided in section 109-3 and except  
7 for the manager, deputy manager, and secretary, all  
8 appointments, suspensions, or discharges shall be made  
9 in conformity with the applicable provisions of  
10 chapter 76; and

11 (6) To plan, promote, and market the stadium, its related  
12 facilities, and the Kapolei recreational sports  
13 complex."

14 SECTION 3. Section 128-3, Hawaii Revised Statutes, is  
15 amended by amending subsection (c) to read as follows:

16 "(c) There shall be a vice-director of civil defense who  
17 shall be appointed and may be removed by the director. The  
18 vice-director shall be the first assistant to the director and  
19 shall, in the absence of the director, have all the duties and  
20 responsibilities of the director. The vice-director shall be  
21 paid a salary not to exceed [~~eighty-seven~~] ninety-two per cent

1 of the salary of the director of [~~human resources development.~~]  
2 health. Chapter 76 shall not apply to the vice-director."

3 SECTION 4. Section 201H-2, Hawaii Revised Statutes, is  
4 amended by amending subsection (b) to read as follows:

5 "(b) The corporation shall employ, exempt from chapter 76  
6 and section 26-35(a)(4), an executive director and an executive  
7 assistant. The executive director shall be paid a salary not to  
8 exceed [~~eighty five~~] ninety-two per cent of the salary of the  
9 director of [~~human resources development.~~] health. The  
10 executive assistant shall be paid a salary not to exceed ninety  
11 per cent of the executive director's salary. The corporation  
12 may employ, subject to chapter 76, technical experts and  
13 officers, agents, and employees, permanent and temporary, as  
14 required. The corporation may also employ officers, agents, and  
15 employees, prescribe their duties and qualifications, and fix  
16 their salaries, not subject to chapter 76, when in the  
17 determination of the corporation, the services to be performed  
18 are unique and essential to the execution of the functions of  
19 the corporation. The corporation may call upon the attorney  
20 general for legal services as it may require. The corporation  
21 may delegate to one or more of its agents or employees its  
22 powers and duties as it deems proper."

1 SECTION 5. Section 269-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) Effective July 1, [~~2005,~~] 2008, the chairperson of  
4 the commission shall be paid a salary set at [~~eighty-seven~~  
5 ninety-two per cent of the salary of the director of [~~human~~  
6 ~~resources development,~~] health and each of the other  
7 commissioners shall be paid a salary equal to ninety-five per  
8 cent of the chairperson's salary. The commissioners shall be  
9 exempt from chapters 76 and 89 but shall be members of the state  
10 [~~employees~~] employees' retirement system and shall be eligible  
11 to receive the benefits of any state or federal employee benefit  
12 program generally applicable to officers and employees of the  
13 State, including those under chapter 87A.

14 The commission is placed within the department of budget  
15 and finance for administrative purposes."

16 SECTION 6. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect on July 1, 2008.

19  
20 INTRODUCED BY: Calvin K. Iy

21 BY REQUEST  
JAN 22 2008

**Report Title:**

Salaries; Stadium Manager; Civil Defense; HI Housing Finance; PUC

**Description:**

Increases the salaries of the Stadium Manager, the Public Utilities Commissioners, Executive Director of Hawaii Housing Finance and Development Corporation, and Civil Defense Director to be commensurate with their duties and responsibilities by linking them to 92% of the Director of Health's salary.

HB 3142

JUSTIFICATION SHEET

DEPARTMENT: Human Resources Development

TITLE: A BILL FOR AN ACT RELATING TO SALARIES.

PURPOSE: To change statutory linkages regarding the salaries of the Stadium Manager, the Vice-Director of Civil Defense, the Executive Director of the Hawaii Housing Finance and Development Corporation, and the Chairperson for the Public Utilities Commission from the Director of Human Resources Development to the Director of Health. The percentage of salary of the Director is also being increased to ninety-two percent. Both changes are necessary in order to provide appropriate compensation for the incumbents of the positions.

MEANS: Amend sections 109-2, 128-3(c), 201H-2(b), and 269-2(b), Hawaii Revised Statutes.

JUSTIFICATION: The salary of the Stadium Manager is currently limited to eighty-seven percent of the salary of the Director of Human Resources Development, which is allocated to the lowest of the four compensation tiers for department heads. Managing the Aloha Stadium is extremely complex, particularly in light of the many and varied types of events that are held there. In order to provide appropriate compensation for the Stadium Manager, the salary should be linked to that of the Director of Health, which is in the second highest compensation tier for department heads, and the percentage should be increased to ninety-two.

The salary of the Vice-Director of Civil Defense is currently limited to eighty-seven percent of the salary of the Director of Human Resources Development. Managing the State Civil Defense program is extremely complex, particularly in light of the many and varied types of disasters that the



program must prepare for. In order to provide appropriate compensation for the Executive Director, the salary should be linked to that of the Director of Health, and the percentage should be increased to ninety-two.

The salary of the Executive Director of the Hawaii Housing Finance and Development Corporation is currently limited to eighty-five percent of the salary of the Director of Human Resources Development. It is difficult to find and retain an individual with an appropriate background to run the operations of the Corporation at the current salary level as individuals with such backgrounds can earn much more in the private sector. In order to provide appropriate compensation for the Executive Director, the salary should be linked to that of the Director of Health, and the percentage should be increased to ninety-two.

The salary of the Chairperson of the Public Utilities Commission is currently set at eighty-seven percent of the salary of the Director of Human Resources Development and the salaries of the other commissioners is set at ninety-five percent of the salary of the Chairperson. The Public Utilities Commission is responsible for the supervision of public utilities in the State involving the transportation of passengers or freight, the conveyance or transmission of telecommunications messages, and the furnishing of light, heat, cold, water, gas, or oil. In order to provide appropriate compensation for the Chairperson, the salary should be linked to that of the director of health and the percentage should be increased to ninety-two.

Impact on the Public: None.

Impact on the department and other agencies:  
None.

GENERAL FUND: None.  
OTHER FUNDS: None.  
PPBS PROGRAM  
DESIGNATION: None.  
OTHER AFFECTED  
AGENCIES: None.  
EFFECTIVE DATE: July 1, 2008