
A BILL FOR AN ACT

RELATING TO SALARIES.

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

1 SECTION 1. The downturn in the United States and global
2 economy in late 2008, caused by the credit crisis, volatility in
3 the mortgage and financial-securities markets, fluctuations in
4 oil prices, and the resulting uncertainty continues to affect
5 Hawaii and its people. 2009 saw rising unemployment to near
6 record state levels, additional declines in tourism and retail
7 sales, and an increased number of foreclosures. In an effort to
8 deal with the bleak economic outlook, the administration and
9 legislature took many steps to reduce appropriations in the
10 state budget, resulting in many painful decisions.

11 However, even with some of the major public sector unions
12 accepting furloughs and a round of layoffs nearly complete, the
13 State still faces a projected \$721 million budget shortfall for
14 the balance of fiscal year 2010 and a \$509 million budget
15 shortfall for fiscal year 2011.

16 The purpose of this Act is to reduce the salaries and
17 leaves of absence of the legislative branch of the State in
18 recognition of the current fiscal situation and to lead by



1 example in demonstrating to the people of Hawaii that public
2 officials are doing their share to conserve scarce public
3 resources.

4 SECTION 2. (a) Notwithstanding any law to the contrary
5 and notwithstanding the recommendations of the commission on
6 salaries for salary increases, beginning July 1, 2010, and until
7 June 30, 2011, the annual salaries of members of the legislature
8 shall be reduced by eight per cent from what the salary is as of
9 June 30, 2009; provided that on July 1, 2011, the salaries of
10 the legislators shall be restored to the level it would have
11 been on July 1, 2009, without the salary decrease under this
12 Act; provided further that the recommendations of the commission
13 on salaries for salary increases for legislators effective
14 January 1, 2012, shall become effective on that date in
15 accordance with the recommendations.

16 (b) For the period from July 1, 2010, to June 30, 2011,
17 notwithstanding any law to the contrary, the leaves of absence
18 for vacation and sick leave, with pay, of persons affected under
19 subsection (a) shall be the same as those negotiated, mediated,
20 or arbitrated under chapter 89, Hawaii Revised Statutes, for
21 collective bargaining unit (13); provided that on July 1, 2011,
22 the leaves of absence under this subsection shall be restored to



1 the level they would have been on July 1, 2009, but for this
2 subsection.

3 (c) This section shall not be construed to impart any
4 right to additional compensation previously authorized through
5 the adoption of the commission on salaries' recommendations for
6 the period from January 1, 2010, through July 1, 2011

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

9 SECTION 3. Act 85, Session Laws of Hawaii 2009, is amended
10 by amending section 2 to read as follows:

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

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



1 (4) Budget and finance;
2 (5) Business, economic development, and tourism;
3 (6) Commerce and consumer affairs;
4 (7) Defense;
5 (8) Hawaiian home lands;
6 (9) Health;
7 (10) Human resources development;
8 (11) Human services;
9 (12) Labor and industrial relations;
10 (13) Land and natural resources;
11 (14) Public safety;
12 (15) Taxation; and
13 (16) Transportation,
14 shall be reduced by five per cent from what the salary is as of
15 June 30, 2009, and shall remain at that salary rate until
16 June 30, 2011; provided that on July 1, 2011, the salaries of
17 these positions shall be restored to the level they would have
18 been on July 1, 2009, without the salary decrease under this
19 Act; provided further that the recommendations of the commission
20 on salaries for salary increases for these positions effective
21 July 1, 2012, shall become effective on that date in accordance
22 with the recommendations.



1 (b) Notwithstanding any law to the contrary and
2 notwithstanding the recommendations of the commission on
3 salaries for salary increases, beginning July 1, 2009, and until
4 June 30, [~~2011~~] 2010, the annual salaries of members of the
5 legislature shall be reduced by five per cent from what the
6 salary is as of June 30, 2009; provided that on July 1, 2011,
7 the salaries of the legislators shall be restored to the level
8 it would have been on July 1, 2009, without the salary decrease
9 under this Act; provided further that the recommendations of the
10 commission on salaries for salary increases for legislators
11 effective January 1, 2012, shall become effective on that date
12 in accordance with the recommendations.

13 (c) For the period from July 1, 2009, to July 1, 2011,
14 notwithstanding any law to the contrary, the leaves of absence
15 for vacation and sick leave, with pay, of persons affected under
16 subsection (a) [~~and (b)~~] shall be the same as those negotiated,
17 mediated, or arbitrated under chapter 89, Hawaii Revised
18 Statutes, for collective bargaining unit (13); provided that on
19 July 1, 2011, the leaves of absence under this subsection shall
20 be restored to the level they would have been on July 1, 2009,
21 but for this subsection. For the period from July 1, 2009, to
22 July 1, 2010, notwithstanding any law to the contrary, the



1 leaves of absence for vacation and sick leave, with pay, of
 2 persons affected under subsection (b) shall be the same as those
 3 negotiated, mediated, or arbitrated under chapter 89, Hawaii
 4 Revised Statutes, for collective bargaining unit (13); provided
 5 that on July 1, 2011, the leaves of absence under this
 6 subsection shall be restored to the level they would have been
 7 on July 1, 2009, but for this subsection

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

11 (1) The period from January 1, 2009, through July 1, 2011,
 12 for positions covered under subsection (a); and

13 (2) The period from January 1, 2009, through December 31,
 14 [~~2011~~] 2010, for positions covered under subsection

15 (b).

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

18 SECTION 4. Statutory material to be repealed is bracketed
 19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect on June 30, 2010.


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H.B. NO. 2757

INTRODUCED BY:





JAN 26 2010



Report Title:

Salaries

Description:

Reduces salaries and leaves of absence for state legislators in fiscal year 2010.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

