

JAN 26 2009

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 caused by the credit crisis, mortgage and financial
3 securities market volatility, oil price fluctuations, and
4 resulting uncertainty has impacted Hawaii and its residents.
5 Unemployment has risen in the State and additional declines in
6 tourism and retail sales are anticipated.

7 The State will face a projected \$1,760,000,000 budget
8 shortfall for the balance of fiscal year 2008-2009 and the
9 biennium budget period if corrective action is not taken.

10 The purpose of this Act is to suspend salary increases for
11 certain members of the executive, legislative, and judicial
12 branches of state government in recognition of the current
13 fiscal situation and to lead-by-example in showing the people of
14 Hawaii that public officials are doing their share to conserve
15 public resources.

16 SECTION 2. (a) Notwithstanding any law to the contrary,
17 the annual salary for the governor, the lieutenant governor, the
18 justices and judges of all state courts, the administrative

1 director of the State or an equivalent position, and the
2 department heads or executive officers and the deputies or
3 assistants to the department heads of the departments of:

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

20 shall until June 30, 2011, remain the same as it was on July 1,
21 2008.

S.B. NO. 927

1 (b) Notwithstanding any law to the contrary, the annual
2 salary of members of the legislature shall until December 31,
3 2011, remain the same as it was on January 1, 2009.

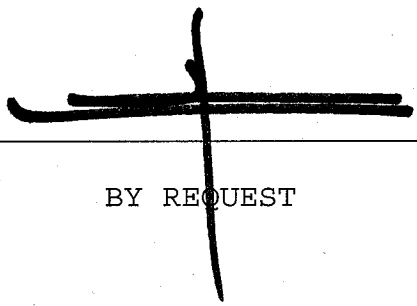
4 (c) This section shall not be enforced to the extent that
5 it is preempted by federal law.

6 SECTION 3. This Act shall take effect on June 30, 2009.

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INTRODUCED BY:



9

BY REQUEST

Report Title:

Pay Increase; Commission on Salaries

Description:

Requests State leaders to lead-by-example during fiscally challenging times by deferring for two years salary increases recommended by the 2006 State Commission on Salaries for legislators, judges, and senior officials of the Executive Branch for fiscal years 2009-2010 and 2010-2011.

are also obligated to contribute their fair share and lead-by-example in recognizing that wage increases are not appropriate in today's economic climate.

Impact on the department and other agencies:
Suspends salary increases occurring between June 30, 2009, and December 31, 2011, for the Governor, Lieutenant Governor, Administrative Director of the State, members of the legislature, justices and judges of State courts, and all department heads and deputies.

GENERAL FUND: Cost savings of approximately \$1,700,000 for fiscal year 2009-2010 and \$2,500,000 for fiscal year 2010-2011.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

OTHER AFFECTED AGENCIES: All branches of government.

EFFECTIVE DATE: June 30, 2009.