

HB575

TESTIMONY

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March 19, 2011

TESTIMONY TO THE
SENATE COMMITTEE ON JUDICIARY AND LABOR
For Hearing on Monday, March 21, 2011
8:30 a.m., Conference Room 16

BY

SUNSHINE P.W. TOPPING
INTERIM DIRECTOR

**House Bill No. 575, H.D. 1
Relating to Salaries**

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON CLAYTON HEE AND MEMBERS OF THE COMMITTEE:

House Bill No. 575, HD1 amends Act 85, Session Laws of Hawaii 2009, and attempts to extend the 5% reduction in salaries for two years from June 30, 2011 to June 30, 2013 for certain members of the executive, legislative, and judicial branches.

The Commission on Salaries makes recommendations to the Legislature on the salaries of these members. The Department of Human Resources Development provides staff support to the Commission and we have some technical comments regarding the language in this bill.

- Although the bill extends the 5% reduction in salaries by changing the end date from June 30, 2011 to June 30, 2013 for the executive and judicial branches, it does not delete existing language that restores the Commission on Salaries recommendations effective July 1, 2012 (page 2, lines 15 to 19). **Therefore, there is conflicting language on what the July 1, 2012 salaries should be.**

- In addition, the bill restores the July 1, 2009 salaries without the 5% salary decrease, effective July 1, 2013 for the executive and judicial branches (page 2, lines 12 to 15). **However, salary recommendations for the next 6 year cycle beginning July 1, 2013 are the responsibility of the next Commission on Salaries that will be appointed in 2012.** The Legislature will have the opportunity to approve the recommendations of the Commission during the 2013 legislative session.
- Other contradictory language extends the 5% reduction to June 30, 2013 for the legislative branch, and at the same time restores the recommendations of the Commission on Salaries effective January 1, 2012 (page 3, lines 6 to 10). If the intent is to extend the 5% reduction to June 30, 2013, **we suggest deleting the January 1, 2012 date and replacing it with January 1, 2014.** The next commission will recommend legislative salaries for the 6 year period beginning January 1, 2015 to December 31, 2020.

Draft language with the suggested changes are attached.

Thank you for the opportunity to testify on this measure.

Draft Language

Page 2, lines 10 to 19

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,]~~ 2013. ~~[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.]~~

Page 3, lines 1 to 10

June 30, ~~[2011,]~~ 2013, 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,]~~ 2013, the salaries of the legislators shall be restored to the level ~~[it]~~ 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 legislators effective January 1, ~~[2012,]~~ 2014, shall become effective on that date in accordance with the recommendations.



THE JUDICIARY, STATE OF HAWAII

Testimony to the Senate Committee on Judiciary and Labor
Senator Clayton Hee, Chair
Senator Maile S.L. Shimabukuro, Vice Chair

Monday, March 21, 2011, 8:30 a.m.
State Capitol, Conference Room 016

by
Rodney A. Maile
Administrative Director of the Courts

Bill No. and Title: House Bill No. 575, H.D. 1, Relating to Salaries.

Purpose: Extends the five per cent legislative salary decrease from June 30, 2011, to June 30, 2013. Applies the five per cent salary reduction to executive and judicial branch positions.

Judiciary's Position:

The Judiciary is acutely cognizant of the financial circumstances of the State of Hawai'i, and appreciates the efforts of the Legislature to provide the Judiciary with the financial resources for us to continue to provide core and fundamental services to the people of the State of Hawai'i. Although the Judiciary does not take a position on the intent or purpose of House Bill No. 575, H.D. 1, the Judiciary provides the following background information for the committee's consideration. The salaries of trial judges in Hawai'i, based on a 2010 cost of living comparison done by the National Center for State Courts, rank last, that is, 51st, of judges in all states including the District of Columbia. The Commission on Salaries 2007 report to the legislature, which recommended the salary increases that would be deferred by this bill, further noted that (1) judges had not received a pay increase from 1990 to 1999, and (2) "[i]n order to attract and retain competent and experienced individuals, salaries commensurate with their abilities are critical."

Thank you for the opportunity to provide comments on this measure.