



The Judiciary, State of Hawaii

Testimony to the House Committee on Labor and Public Employment

Representative Karl Rhoads, Chair
Representative Kyle T. Yamashita, Vice Chair

Tuesday, March 13, 2012, 9:30 a.m.
State Capitol, Conference Room 309

by
Rodney A. Maile
Administrative Director of the Courts

Bill No. and Title: Senate Bill No. 2057, S.D. 1, Relating to Salaries.

Purpose: To correct ambiguities in Act 57, SLH 2011 (Act 57), relating to compensation for executive, judicial, and legislative officials.

Judiciary's Position:

The Judiciary supports this measure, but requests that its effective date be amended.

Act 57's salary reductions for executive and judicial officials, which extend through December 31, 2013, may conflict with future salary recommendations. The Commission on Salaries will convene in 2012 and develop salary recommendations for consideration by the 2013 Legislature as mandated by Article XVI, section 3.5 of the Hawai'i Constitution (Article XVI). Based on past practice, these recommendations will presumably include salary rates for executive and judicial officials for the salary year July 1, 2013 through June 30, 2014, as well as for all legislative, executive, and judicial officials for the five fiscal years following Fiscal Year 2014.

In addition, while Article XVI requires any salary decrease to apply to all salaried officers, Act 57 provides that effective January 1, 2014, executive and judicial officials will be paid at the rate effective July 1, 2009, while legislators are compensated at the January 1, 2014 rate.

Senate Bill No. 2057, S. D. 1, avoids the possibility of conflicting salary mandates by providing that the current salary reductions and deferment of salary increases end on June 30, 2013. Additionally, this bill ensures that effective July 1, 2013, all affected salaries will revert to



Senate Bill No. 2057, S.D. 1, Relating to Salaries
House Committee on Labor and Public Employment
Tuesday, March 13, 2012
Page 2

levels established by the 2006 Commission on Salaries. This bill preserves the integrity of the work of the 2006 Commission, and clears the way for the 2012 Commission on Salaries to fulfill its responsibility to determine new salary rates for executive and judicial officials effective July 1, 2013, and for legislative officials effective January 1, 2015. This measure adopts a fair and even-handed approach to deferring salary increases for all salaried officials.

The Judiciary proposes one amendment. The bill's effective date is July 1, 2050. We request that the measure be amended so as to take effect upon its approval.

Thank you for the opportunity to testify on Senate Bill No. 2057, S.D. 1.



Testimony of the
HAWAII STATE BAR ASSOCIATION

TO: Representative Karl Rhoads, and Members of the
House Committee on Labor & Public Employment

FROM: Carol K. Muranaka
President, Hawaii State Bar Association

RE: Senate Bill No. 2057, SD1 Relating to Salaries

Hearing: Tuesday, March 13, 2012, 9:30 a.m.
Conference Room 309
State Capitol

Mr. Chair and Members of the House Committee on Labor & Public Employment, I have been authorized by the Board of the Hawaii State Bar Association to offer these comments IN SUPPORT of Senate Bill No. 2057, SD1.

Our SUPPORT is limited to provisions relating to ambiguities with regard to judicial salary levels.

Act 57, SLH 2011 established a reduction in judicial salaries from July 1, 2009 through December 31, 2013. As mandated by the Hawaii State Constitution (as amended in 2006), a Salary Commission will convene in 2012 and will submit its findings and recommendations to the 2013 Legislature for consideration. Such recommendations take effect, if not disapproved during the 2013 Legislature.

A potential conflict may occur for judicial salary levels if the 2012 Salary Commission recommendations take effect on July 1, 2013, the year following its establishment, consistent with the prior Salary Commission recommendations. There is a potential for two salary levels to exist from July 1, 2013 through December 31, 2013.

It is imperative that this potential conflict be eliminated to provide certainty and fairness to all individuals willing to serve as judges and justices in Hawaii's Judiciary.

Your favorable and expeditious consideration of Senate Bill No. 2057, SD1 is urged.

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