

ACT 165

S.B. NO. 1476

A Bill for an Act Relating to the Compensation of Public Officers and Employees.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 77-10, Hawaii Revised Statutes, is amended to read as follows:

**“§77-10 Compensation adjustments; rules.** The state director or the county commissions shall adopt rules to provide for adjustments and changes in compensation in the event of promotions, temporary promotions and assignments, demotions, and for the purpose of implementing sections 77-4 and 77-12. The rules shall be adopted only after joint conference of the state director and all county commissions and shall be uniformly applied and interpreted throughout the State and the several counties.

The rules shall give proper consideration to merit principles of employment, requirements of model conversion plans authorized under section 77-13.5, and due recognition to length of service in the event of demotions resulting from physical conditions. The rules shall provide for methods of pay adjustments which may, in the event of non-disciplinary, involuntary movements or reassignments to lower pay

ranges, include the payment of a temporary differential which is not to be considered as an adjustment to an employee's base pay. In no event may an employee's base pay exceed the maximum step of a lower pay range, or be increased to an amount which will exceed the maximum step of a higher pay range, when the employee moves or is reassigned to a different pay range. The employee's service anniversary date shall not change. No rule shall be applied in any way in violation of sound merit principles."

SECTION 2. Section 77-14, Hawaii Revised Statutes, is repealed.

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.\*

SECTION 4. This Act shall take effect upon its approval.

(Approved June 17, 1981.)

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\*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.