H.B. NO. 3142

A BILL FOR AN ACT

RELATING TO SALARIES.

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

SECTION 1. The salaries of the stadium manager, vice-director of civil defense, executive director of the Hawaii housing and finance development corporation, and chairperson of the public utilities commission are linked to the salary of the director of human resources development, which is in the lowest compensation tier for department heads. The existing salaries of those positions are not commensurate with their duties and responsibilities and the importance and complexity of the programs that they head. In order to attract and retain highly qualified individuals, the salaries of the positions should be set at or limited to ninety-two per cent of the salary of the director of health, which is in the second highest compensation tier for department heads.

SECTION 2. Section 109-2, Hawaii Revised Statutes, is amended to read as follows:

"**§109-2 Stadium authority; powers and duties.** The powers and duties of the stadium authority shall be as follows:

(1) To maintain, operate, and manage the stadium and related facilities, and to provide for the maintenance, operation, management, and promotion of the Kapolei recreational sports complex;

(2) To prescribe and collect rents, fees, and charges for the use or enjoyment of the stadium or any of its facilities;

(3) To make and execute contracts and other instruments necessary or convenient to exercise its powers under this chapter and subject to any limitations in this chapter, to exercise all powers necessary, incidental, or convenient to carry out and effectuate the purposes and provisions of this chapter, including entering into contracts under chapter 102 or 103D for the management of the Kapolei recreational sports complex, to include but not be limited to the operation, maintenance, and promotion of the complex in a manner that is beneficial to both the State and the contractor. These contracts may contain revenue sharing incentives based on increased usage of the complex;

(4) To adopt, amend, and repeal in accordance with chapter 91 rules it may deem necessary to effectuate this chapter and in connection with its projects, operations, and facilities;

(5) To appoint a manager and a deputy manager who shall have such qualifications as the authority deems necessary and who shall hold their respective offices at the pleasure of the authority. The manager and deputy manager shall be exempt from the requirements of chapters 76 and 89. Effective July 1, [~~2005,~~] 2008, the manager shall be paid a salary not to exceed [~~eighty-seven~~] ninety-two per cent of the salary of the director of [~~human resources development.~~] health. Effective July 1, 2005, the deputy manager shall be paid a salary not to exceed eighty-five per cent of the manager's salary. The manager shall have full power to administer the affairs of the stadium and related facilities, and to provide for a management contract for the Kapolei recreational sports complex, subject to the direction and approval of the authority. The manager shall, subject to the approval of the authority, have power to appoint,

suspend, and discharge a secretary who shall be exempt from the requirements of chapters 76 and 89, and such other employees, subordinates, and assistants as may be necessary for the proper conduct of the business of the authority. Except for persons hired on contract or otherwise as provided in section 109-3 and except for the manager, deputy manager, and secretary, all appointments, suspensions, or discharges shall be made in conformity with the applicable provisions of chapter 76; and

(6) To plan, promote, and market the stadium, its related facilities, and the Kapolei recreational sports complex."

SECTION 3. Section 128-3, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) There shall be a vice-director of civil defense who shall be appointed and may be removed by the director. The vice-director shall be the first assistant to the director and shall, in the absence of the director, have all the duties and responsibilities of the director. The vice-director shall be paid a salary not to exceed [~~eighty-seven~~] ninety-two per cent

of the salary of the director of [~~human resources development.~~] health. Chapter 76 shall not apply to the vice-director."

SECTION 4. Section 201H-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The corporation shall employ, exempt from chapter 76 and section 26-35(a)(4), an executive director and an executive assistant. The executive director shall be paid a salary not to exceed [~~eighty-five~~] ninety-two per cent of the salary of the director of [~~human resources development.~~] health. The executive assistant shall be paid a salary not to exceed ninety per cent of the executive director's salary. The corporation may employ, subject to chapter 76, technical experts and officers, agents, and employees, permanent and temporary, as required. The corporation may also employ officers, agents, and employees, prescribe their duties and qualifications, and fix their salaries, not subject to chapter 76, when in the determination of the corporation, the services to be performed are unique and essential to the execution of the functions of the corporation. The corporation may call upon the attorney general for legal services as it may require. The corporation may delegate to one or more of its agents or employees its powers and duties as it deems proper."

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SECTION 5. Section 269-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Effective July 1, [~~2005,~~] 2008, the chairperson of the commission shall be paid a salary set at [~~eighty-seven~~] ninety-two per cent of the salary of the director of [~~human resources development,~~] health and each of the other commissioners shall be paid a salary equal to ninety-five per cent of the chairperson's salary. The commissioners shall be exempt from chapters 76 and 89 but shall be members of the state [~~employees~~] employees' retirement system and shall be eligible to receive the benefits of any state or federal employee benefit program generally applicable to officers and employees of the State, including those under chapter 87A.

The commission is placed within the department of budget and finance for administrative purposes."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2008.

INTRODUCED BY: Colvin K Y Say

BY REQUEST

JAN 22 2008

H.B. NO. 3142

Report Title:
Salaries; Stadium Manager; Civil Defense; HI Housing Finance;PUC

Description:
Increases the salaries of the Stadium Manager, the Public Utilities Commissioners, Executive Director of Hawaii Housing Finance and Development Corporation, and Civil Defense Director to be commensurate with their duties and responsibilities by linking them to 92% of the Director of Health's salary.

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JUSTIFICATION SHEET

DEPARTMENT: Human Resources Development

TITLE: A BILL FOR AN ACT RELATING TO SALARIES.

PURPOSE: To change statutory linkages regarding the salaries of the Stadium Manager, the Vice-Director of Civil Defense, the Executive Director of the Hawaii Housing Finance and Development Corporation, and the Chairperson for the Public Utilities Commission from the Director of Human Resources Development to the Director of Health. The percentage of salary of the Director is also being increased to ninety-two percent. Both changes are necessary in order to provide appropriate compensation for the incumbents of the positions.

MEANS: Amend sections 109-2, 128-3(c), 201H-2(b), and 269-2(b), Hawaii Revised Statutes.

JUSTIFICATION: The salary of the Stadium Manager is currently limited to eighty-seven percent of the salary of the Director of Human Resources Development, which is allocated to the lowest of the four compensation tiers for department heads. Managing the Aloha Stadium is extremely complex, particularly in light of the many and varied types of events that are held there. In order to provide appropriate compensation for the Stadium Manager, the salary should be linked to that of the Director of Health, which is in the second highest compensation tier for department heads, and the percentage should be increased to ninety-two.

The salary of the Vice-Director of Civil Defense is currently limited to eighty-seven percent of the salary of the Director of Human Resources Development. Managing the State Civil Defense program is extremely complex, particularly in light of the many and varied types of disasters that the

program must prepare for. In order to provide appropriate compensation for the Executive Director, the salary should be linked to that of the Director of Health, and the percentage should be increased to ninety-two.

The salary of the Executive Director of the Hawaii Housing Finance and Development Corporation is currently limited to eighty-five percent of the salary of the Director of Human Resources Development. It is difficult to find and retain an individual with an appropriate background to run the operations of the Corporation at the current salary level as individuals with such backgrounds can earn much more in the private sector. In order to provide appropriate compensation for the Executive Director, the salary should be linked to that of the Director of Health, and the percentage should be increased to ninety-two.

The salary of the Chairperson of the Public Utilities Commission is currently set at eighty-seven percent of the salary of the Director of Human Resources Development and the salaries of the other commissioners is set at ninety-five percent of the salary of the Chairperson. The Public Utilities Commission is responsible for the supervision of public utilities in the State involving the transportation of passengers or freight, the conveyance or transmission of telecommunications messages, and the furnishing of light, heat, cold, water, gas, or oil. In order to provide appropriate compensation for the Chairperson, the salary should be linked to that of the director of health and the percentage should be increased to ninety-two.

Impact on the Public: None.

Impact on the department and other agencies: None.

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GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	None.
OTHER AFFECTED AGENCIES:	None.
EFFECTIVE DATE:	July 1, 2008