RELATING TO SALARIES.

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

SECTION 1. The legislature finds that existing laws authorize the board of education to set the salaries of the superintendent of education, deputy superintendent, assistant superintendents, complex area superintendents, and state librarian. The salaries of the deputy superintendent, assistant superintendents, and complex area superintendents are capped by statute at a percentage of the superintendent's salary.

The legislature further finds that it is a challenge to recruit and fill state and complex area leadership positions because the maximum salaries are not competitive with or in the range of the salaries of other administrative leadership positions at the school level. The cap on the superintendent's salary was last established in 2000, and the cap on the state librarian's salary was last established in 2001.

The legislature finds that amending the current salaries for the superintendent of education, deputy superintendent, assistant superintendents, complex area superintendents, and state librarian would provide the board of education with the
authority and latitude to establish the salaries of these leadership positions commensurate with various factors, including the breadth of responsibilities and duties of those positions and the experience and skills the individuals bring to their respective positions. Adjusting the salaries would also provide the board of education with the flexibility it needs to attract and retain individuals to support a strong statewide public education system and statewide public library system.

The purpose of this Act is to provide the board of education with more flexibility to establish the compensation of the superintendent, deputy superintendent, assistant superintendents, complex area superintendents, and state librarian by authorizing it to grant annual performance bonuses to individuals in these state leadership positions.

SECTION 2. Section 26-52, Hawaii Revised Statutes, is amended to read as follows:

"§26-52 Department heads and executive officers. The salaries of the following state officers shall be as follows:

(1) The [salary of the superintendent of education shall be set by the] board of education shall set the salary of the superintendent of education at a rate no greater than [[$150,000]] $160,000 a year[+], with an
annual performance bonus of up to $90,000, the exact amount of which shall be:

(A) Subject to an annual performance evaluation based on outcomes that shall be determined by the board of education and include at least the following general categories of outcomes:

(i) Student achievement;

(ii) Leadership based on outcomes of employees supervised by the superintendent of education;

(iii) Community relations; and

(iv) Targeted outcomes developed through an agreement between the board of education and the superintendent of education;

(B) No greater than $30,000 prior to the second consecutive annual performance evaluation; and

(C) No greater than $70,000 prior to the third consecutive annual performance evaluation;

(2) The salary of the president of the University of Hawaii shall be set by the board of regents;

(3) Effective July 1, 2004, the salaries of all department heads or executive officers of the departments of
accounting and general services, agriculture, attorney general, budget and finance, business, economic development, and tourism, commerce and consumer affairs, Hawaiian home lands, health, human resources development, human services, labor and industrial relations, land and natural resources, public safety, taxation, and transportation shall be as last recommended by the executive salary commission. Effective July 1, 2007, and every six years thereafter, the salaries shall be as last recommended by the commission on salaries pursuant to section 26-56, unless rejected by the legislature; and

(4) The salary of the adjutant general shall be $85,302 a year. Effective July 1, 2007, and every six years thereafter, the salary of the adjutant general shall be as last recommended by the commission on salaries pursuant to section 26-56, unless rejected by the legislature, except that if the state salary is in conflict with the pay and allowance fixed by the tables of the regular army or air force of the United States, the latter shall prevail.
SECTION 3. Section 302A-621, Hawaii Revised Statutes, is amended to read as follows:

"§302A-621 Salary; deputy superintendent, assistant superintendents, complex area superintendents. [The salaries of the deputy superintendent, assistant superintendents, and complex area superintendents shall be set by the board; provided that the salaries of the deputy superintendent, assistant superintendents, and the complex area superintendents shall not exceed eighty per cent of the superintendent's salary.] (a)

The board of education shall set the salary of the deputy superintendent at a rate no greater than $130,000 a year, with an annual performance bonus of up to $50,000, the exact amount of which shall be:

(1) Subject to an annual performance evaluation based on outcomes that shall be determined by the board of education and include at least the following general categories of outcomes:

(A) Student achievement;
(B) Leadership based on outcomes of employees supervised by the deputy superintendent;
(C) Community relations; and
(D) Targeted outcomes developed through an agreement between the board of education and the deputy superintendent;

(2) No greater than $20,000 prior to the second consecutive annual performance evaluation; and

(3) No greater than $35,000 prior to the third consecutive annual performance evaluation;

(b) The board of education shall set the salary of each assistant superintendent at a rate no greater than $120,000 a year, with an annual performance bonus of up to $20,000, the exact amount of which shall be subject to an annual performance evaluation based on outcomes that shall be determined by the board of education and include at least the following general categories of outcomes:

(1) Support of student achievement;

(2) Leadership based on outcomes of employees supervised by the assistant superintendent; and

(3) Targeted outcomes developed through an agreement between the board of education and the assistant superintendent.

(c) The board of education shall set the salary of each complex area superintendent at a rate no greater than $120,000 a
year, with an annual performance bonus of up to $40,000, the exact amount of which shall be:

(1) Subject to an annual performance evaluation based on outcomes that shall be determined by the board of education and include at least the following general categories of outcomes:

(A) Student achievement;

(B) Leadership based on outcomes of employees supervised by the complex area superintendent;

(C) Community relations; and

(D) Targeted outcomes developed through an agreement between the board of education and the complex area superintendent;

(2) No greater than $10,000 prior to the second consecutive annual performance evaluation; and

(3) No greater than $25,000 prior to the third consecutive annual performance evaluation."

SECTION 4. Section 312-2.1, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The salary of the state librarian shall be set by the board of education shall set the salary of the state librarian at a rate no greater than $120,000 a year[—], with an
annual performance bonus of up to $20,000, the exact amount of
which shall be:

(1) Subject to an annual performance evaluation based on a
minimum of four outcomes to be determined by the board
of education; and

(2) No greater than $10,000 prior to the second
consecutive annual performance evaluation."

SECTION 5. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2010, and
shall apply beginning with the 2011-2012 school year.
Report Title:
Education; Salary Adjustments

Description:
Adjusts the salaries and includes performance bonuses for the superintendent of education, deputy superintendent, assistant superintendents, complex area superintendents, and state librarian beginning with the 2011-2012 school year. Effective July 1, 2010. (CD1)

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