



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Ways and Means

Senator David Y. Ige, Chair

Senator Michelle N. Kidani, Vice Chair

Tuesday, February 25, 2014, 9:15 a.m.

State Capitol, Conference Room 211

WRITTEN COMMENTS ONLY

by

Tom Mick

Policy and Planning Department Director

Bill No. and Title: Senate Bill No. 2081, Relating to the Judiciary.

Purpose: Establishes a method for determining the salaries of the Administrative Director of the Courts and Deputy Administrative Director of the Courts.

Judiciary's Position:

This measure is part of the Judiciary's Legislative Package and as such, we strongly support this bill.

Until 2006, the Judicial Salary Commission, pursuant to Section 608-1.5, Hawaii Revised Statutes (HRS), determined the salaries for the Judiciary's appointed administrative officers, that is, the Administrative Director of the Courts (AD) and Deputy AD. This statute stated, in pertinent part, that "(a) There shall be a judicial salary commission to review and determine the salaries of justices and judges of all state courts and *appointed judiciary administrative officers*." (emphasis added)

In November 2006, the voters ratified a Constitutional amendment¹ that, along with a companion bill² passed earlier by the Legislature, repealed Section 608-1.5 HRS and replaced it with a new Commission on Salaries (Commission) which encompassed the Executive,

¹ HB 1917 (2006)

² Act 299, SLH 2006 (HB 1918)



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Legislative, and Judicial branches. The 2007 Commission's Report, on page 11, noted that, "The Commission's general rationale is that the compensation of the elected and appointed officials should be fair and equitable, and sufficient to attract and retain high quality individuals while at the same time being prudent in the expenditure of public funds."

However, the Constitutional amendment and companion bill that created the Commission inadvertently³ left out the Judiciary's AD and Deputy AD, thus leaving these two positions without a mechanism to review and determine their salaries.

The bill currently before the Legislature is intended to create such a mechanism by linking the Deputy AD to 95% of the AD's salary⁴ and the AD's salary to the Executive Branch's Tier 1 salary level.⁵ Executive Branch Tier 1 salaries include the Administrative Director of the State (more commonly known as the Governor's Chief of Staff), the Attorney General, and the Director of Budget and Finance. These Executive Branch positions are most similar in scope and function to the Judiciary's administrative officers.

In summary, one purpose of having the Commission is to review and determine salaries such that, among other things, well qualified individuals apply to and are retained in these positions. The Legislature intended the AD and Deputy AD to be part of the Commission's recommendations. But without a mechanism to set the salaries of the AD and Deputy AD, compensation may become a prohibitive barrier to the Commission's purpose. Hence, we strongly support and respectfully recommend passage of Senate Bill No. 2081.

Thank you for the opportunity to testify on this measure.

³ See Sen. Comm. on Ways and Means Stand. Com. Rep. No. 725 (SB 1526 2007/2008)

⁴ The 2004 Judicial Salary Commission, the last commission with the authority to determine the Deputy AD's salary, set it at 95% of the AD's salary. Ninety-five percent of the Tier 1 7/1/2014 salary is \$135,877

⁵ Executive Branch Tier 1 as of 7/1/2014 is \$143,028