Commission on Salaries Meeting Minutes January 22, 2019 10:00 a.m.

Department of Human Resources Development 235 S. Beretania Street, Room 1403 Honolulu, Hawaii 96813

1. Call to Order

Meeting was called to order by Chairperson, Michael Irish, at 10:00 a.m. Members present: Michael Irish, Rachael Wong, Cameron Nekota, and Dwayne Yoshina.

Members missing: Haunani Apoliona, Danna Holck, and Beth Tokioka Others present: Joy Inouye, Eliza Campos, Sunah Cheng, Wes Machida.

2. Approval of Meeting Minutes for January 10, 2019

Minutes will be provided for approval at the next meeting.

3. Presentation by the Senate Committee on Ways and Means on State budget priorities

Presentation was cancelled.

4. Public Testimony

Wes Machida presented data for the Commission members.

- Mr. Machida did a fiscal year comparative analysis between the legislators' salaries and the judges' salaries over a 20-year period (1999 – 2018). The cumulative percentage increase for judges is higher than the legislators.
- **b.** A second table looked at the percentage difference between judges' salaries and legislators' salaries.

5. Discussion and Work Session on Commission Recommendations for Executive (Governor, Lt. Gov., Dept. Heads), Judicial (Justices and Judges), and Legislative (Legislators) Branch Positions

Chairperson reminded the members their mission is to set the salary rates; salaries cannot be decreased, they can only remain the same or increase.

There was a clarification that the members do not represent the branch that nominated them, they are to look at all three branches as a whole.

The following was discussed as possible guiding principles:

- Make recommendations based on the "greater good";
- Use data/rationale for decision making;
- Come to a consensus as a unified voice;
- Fairness is key.

There was further discussion on the possible framework for reaching consensus:

- Look at responsibility (e.g., state vs. county);
- Budget and number of employees;
- Are all branches considered equal;
- Recruitment ability of positions.

There was discussion about whether the Commission should follow the last Commission's criteria or come up with their own.

A concern that was brought up regarding the disparity between jurisdictions and branches (e.g., mayor's salary is higher than the governor). The governor has a bigger responsibility than the mayor (state vs. county). The legislators work five (5) months out of the year, while the department heads work more than 40 hours/week, all year long.

a. Executive Branch - Elimination of the Tier System

Members discussed the possibility of eliminating the tier system for the executive branch. A member proposed to eliminate the tier system in the first year by bringing up the tier 2 directors (majority of directors) up to the tier 1 (AG & B&F). For subsequent years, do incremental increases.

The discussion ended with members agreeing on eliminating the tier system for the executive branch.

There was discussion about possibly doing annual increases of 2.75% across all branches-executive, judicial, and legislative. This is a tentative recommendation. There will be further discussion at the next meeting.

b. Legislative Branch

A member asked if the legislators should be compared to the county councils. There was some discussion regarding the analysis that was shared at the previous meeting by a Commission member and whether a bigger increase is warranted for the legislators. It was decided to defer this topic to the larger group at the next meeting.

c. Judicial Branch

It was decided to discuss the judicial branch at the next meeting also. There was a comment that this group may be a little easier since they seemed to be paid fairly well already.

6. Discuss Next Steps/Meeting

- **a.** Bring remaining members up to date on today's discussion;
- **b.** Continue to discuss salaries for all three branches; firm up recommendations at the next meeting;
- c. Next meeting is on Tuesday, January 29, 2019.

7. Adjournment

With no further business, the meeting was adjourned at 11:52 a.m.