

LINDA LINGLE  
GOVERNOR OF HAWAII



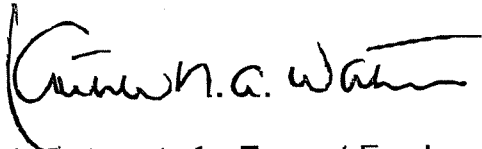
KATHLEEN N. A. WATANABE  
DIRECTOR

JANICE T. KEMP  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

November 15, 2004

TO: All Department Heads

FROM: Kathleen N. A. Watanabe, Director 

SUBJECT: Executive Order No. 04-12 Granting Adjustments for Exempt Employees Who Are Excluded from Bargaining Units 02, 03, 04, and 13

Enclosed is a copy of an Executive Order No. 04-12 that was signed by the Governor on November 8, 2004. This executive order provides wage adjustments for exempt employees excluded from Bargaining Units (BUs) 02, 03, 04, and 13. These wage adjustments are being made pursuant to Chapter 89C, Hawaii Revised Statutes.

The executive order gives all exempt employees excluded from BUs 02, 03, 04, and 13, a 5% across-the-board pay increase effective January 1, 2005. No step movements will be granted from July 1, 2003 through June 30, 2005.

Because the signed executive order is a public document, we recommend that you inform your exempt excluded employees of the pay increase provisions quickly so that the employees will hear of these provisions from you, as their appointing authority, rather than from some other source. For your convenience, you may want to provide your exempt excluded employees with a copy of this memo.

Our Personnel Transactions Office will be issuing instructions on how to process the pay increases.

My Special Assistant, Francis Paul Keeno, can be contacted at 587-1100 if there are any questions regarding this matter.

Enclosure

c: Departmental Personnel Officers  
HRD Divisions  
AFSCME  
PEMAH

## **EXECUTIVE ORDER NO. 04-12**

WHEREAS, chapter 89C of the Hawaii Revised Statutes (HRS) authorizes the Governor to make adjustments to the wages, hours, benefits, and terms and conditions of employment for public officers and employees within the state government executive branch who are excluded from collective bargaining;

WHEREAS, pursuant to section 89C-2, HRS, the Governor wishes to make certain wage adjustments to public officers and employees who are exempt from civil service and excluded from bargaining units (BUs) 02, 03, 04, and 13;

WHEREAS, chapter 89C requires that adjustments for excluded employees, other than non-managerial civil service employees, shall, to the extent practicable, uniformly apply to every excluded employee within a homogeneous grouping, but does not preclude variable adjustments based on performance or other job criteria and specific adjustments warranted based on the nature of work performed or working conditions;

WHEREAS, wage increases for BUs 02, 03, 04, and 13 have been granted for the period July 1, 2003 through June 30, 2005; and

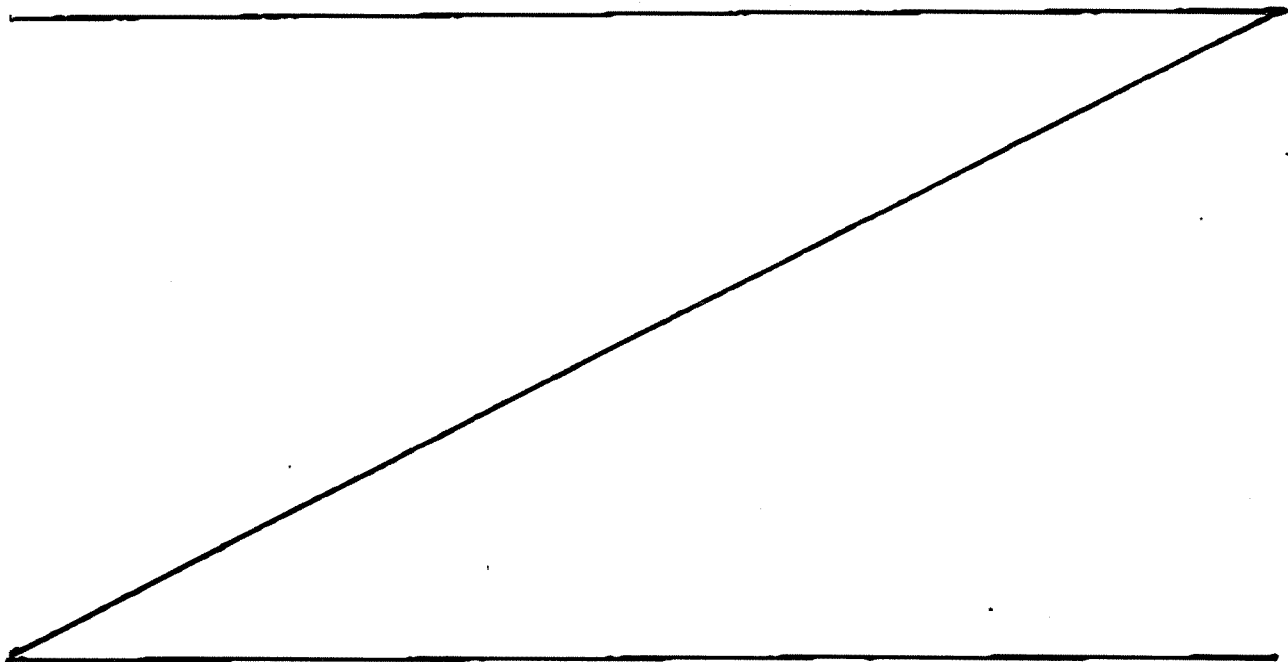
WHEREAS, the Director of Human Resources Development has recommended to the Governor the adjustments specified in this Executive Order;

NOW, THEREFORE, I, Linda Lingle, Governor of Hawaii, pursuant to the provisions of chapter 89C, HRS, do hereby grant to exempt employees who are excluded from BUs 02, 03, 04, and 13 the following wage adjustments.

## COMPENSATION

### Pay Increases and Salary Schedules for Exempt Excluded Employees

1. Employees excluded from BU 02 who are currently receiving a compression differential shall retain the differential.
2. There shall be no step movements for employees administratively assigned to salary ranges during the period July 1, 2003 through June 30, 2005.
3. Effective January 1, 2005, the rates on the salary schedules shall be increased by 5% and employees administratively assigned to a salary range shall be assigned to the corresponding step of the applicable new salary range. Employees who are administratively assigned to a salary range and whose basic rate of pay is between steps or above the maximum rate of the salary range shall have their basic rate of pay increased by 5%.
4. Effective January 1, 2005, employees who are not administratively assigned to a salary range shall have their salaries increased by 5%.

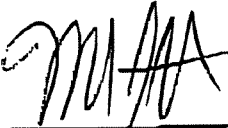


The Director of Human Resources Development shall be responsible for uniform administration of these adjustments and any interpretations concerning the applicability of these adjustments to state officers and employees of the executive branch who are excluded from collective bargaining.

DONE at the State Capitol, Honolulu,  
State of Hawaii, this 17th  
day of November, 2004.

  
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LINDA LINGLE **SEAL**  
Governor of Hawaii

APPROVED AS TO FORM:

  
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MARK J. BENNETT  
Attorney General