

EXECUTIVE ORDER NO. 05-16

WHEREAS, under chapter 89C of the Hawaii Revised Statutes (HRS), the Governor has been granted the authority to make adjustments to the wages, hours, benefits, and other terms and conditions of employment for excluded civil service employees assigned to the Excluded Managerial Compensation Plan (EMCP) and excluded employees in the executive branch who are exempt from the civil service; and

WHEREAS, chapter 89C requires that the adjustments for excluded civil service employees result in compensation and benefit packages that are "at least equal to" the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the Employer's jurisdiction; and

WHEREAS, the counterparts for EMCP employees are employees included in the bargaining units from which the EMCP employees are excluded; and

WHEREAS, for EMCP and excluded exempt employees, chapter 89C requires that the adjustments shall, to the extent practicable, uniformly apply to every excluded employee within a homogeneous grouping. This requirement, however, does not preclude variable adjustments based on performance or other job criteria; nor does it preclude specific adjustments warranted based on the nature of work performed or working conditions; and

WHEREAS, pay increases for employees who are included in Bargaining Units (BUs) 01, 02, 03, 04, 09, 10, 11, and 13, were negotiated or determined through binding arbitration for the period July 1, 2005 through June 30, 2007; and

WHEREAS, based on the negotiated agreements and arbitration decisions the Director of Human Resources Development has recommended to the

Governor the pay increases specified in this Executive Order for EMCP employees and exempt employees who are excluded from BUs 01, 02, 03, 04, 09, 10, 11, and 13; and

WHEREAS, these pay increases should also apply to employees hired on a "temporary appointment outside the list" (TAOL) basis in EMCP positions because these employees are hired on a basis comparable to included TAOL employees receiving adjustments under their collective bargaining agreements;

NOW, THEREFORE, I, Linda Lingle, Governor of Hawaii, pursuant to the provisions of HRS chapter 89C, do hereby grant to EMCP employees and exempt employees who are excluded from BUs 01, 02, 03, 04, 09, 10, 11, and 13 the following pay increases as of the effective dates applicable to BU 01, 02, 03, 04, 09, 10, 11, and 13 employees. Any adjustment in fiscal years 2006 and 2007 that does not comply with this executive order may not be granted without approval of my Chief of Staff.

COMPENSATION

Pay Increases for Exempt Excluded Employees

Employees may be granted pay increases as approved by their respective appointing authorities as indicated below, provided that employees who are administratively assigned to a salary range shall be compensated on an official step rate and employees who are not administratively assigned to a salary range may receive increases up to the specified percentages, but shall not be entitled to step movements.

Salary Adjustments

[This adjustment is applicable to exempt employees excluded from BU 01]

1. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2005. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

2. The salary schedule shall be amended to reflect a one and one-quarter percent (1.25%) increase effective December 16, 2005. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

3. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

4. The salary schedule shall be amended to reflect a one and seventeen one hundredth percent (1.17%) increase effective December 16, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

Salaries

[This adjustment is applicable to exempt employees excluded from BU 02]

1. No step movements were granted during the period July 1, 2003 through June 30, 2005. Employees who were eligible to receive step movements during that period shall receive the step movement on a deferred basis effective July 1, 2005. There shall be no retroactive payments as a result of the deferred step movement.

2. Effective July 1, 2005, a new longevity step L3 shall be added to the salary schedule and the L3 pay rates shall be two percent (2%) more than the L2 pay rates.

3. Employees who are eligible for step movements from July 1, 2005 through June 30, 2006 shall receive their step movements on the first day of the pay period immediately following the completion of the required years of continuous creditable service. Notwithstanding any provision to the contrary, employees who have completed at least twenty (20) years of continuous creditable service as of June 30, 2005 shall be placed on Step L3 on July 1, 2005.

4. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2005. Employees shall be assigned to the corresponding pay range and step on the new salary schedule. Any employee who is receiving a compression differential shall be entitled to retain such differential.

5. Employees who are eligible for step movements from July 1, 2006 through June 30, 2007 shall receive their step movements on the first day of the pay period immediately following completion of the required years of continuous creditable service.

6. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule. Any employee who is receiving a compression differential shall be entitled to retain such differential.

Salaries

[This adjustment is applicable to exempt employees excluded from BUs 03, 04, and 13]

1. No step movements were granted during the period July 1, 2003 through June 30, 2005. Employees who were eligible to receive step movements during that period shall receive the step movement on a deferred basis effective July 1, 2005. There shall be no retroactive payments as a result of the deferred step movement. Those employees who had their step movement deferred shall be credited with time earned in the higher step as if the step movement were effectuated on the employees' step movement date.

2. Employees who are eligible for step movements from July 1, 2005 through June 30, 2006 shall receive their step movements on their step movement dates.

3. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2005. Employees shall be assigned to the corresponding pay range and step on the new salary schedule, provided that employees whose basic rate of pay on September 30, 2005 falls between two steps or exceeds the maximum step of their pay range shall receive a three and one-half percent (3.5%) increase.

4. Employees who are eligible for step movements from July 1, 2006 through June 30, 2007 shall receive their step movements on their step movement dates.

5. The salary schedule shall be amended to reflect a three and one-half percent (3.5%) increase effective October 1, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule, provided that employees whose basic rate of pay on September 30, 2006 falls between two steps or exceeds the maximum step of their pay range shall receive a three and one-half percent (3.5%) increase.

Salary Adjustments

[This adjustment is applicable to exempt employees excluded from BU 10]

1. The salary schedule shall be amended to reflect a two and one-half percent (2.5%) increase effective August 1, 2005. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

2. The salary schedule shall be amended to reflect a two and one-half percent (2.5%) increase effective February 16, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

3. The salary schedule shall be amended to reflect a two and one-half percent (2.5%) increase effective August 1, 2006. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

4. The salary schedule shall be amended to reflect a two and one-half percent (2.5%) increase effective February 16, 2007. Employees shall be assigned to the corresponding pay range and step on the new salary schedule.

EMCP Pay Increases

Salaries

[This adjustment is applicable to EMCP employees excluded from BUs 04, and 13]

The salary adjustments of EMCP employees excluded from BUs 04 and 13 are at least equal to the salary adjustments negotiated for BUs 04 and 13.

1. The minimum and maximum rates for EMCP salary ranges shall be increased by three and one-half percent (3.5%) effective October 1, 2005.
2. Employees shall receive Within Range Progression (WIRP) pay increases on their WIRP dates from July 1, 2005 through June 30, 2006.
3. Employees shall receive a three and one-half percent (3.5%) increase effective October 1, 2005.
4. Employees employed on October 1, 2005 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2004 through June 30, 2005 shall receive a one time lump sum bonus of one percent (1%) of their September 30, 2005 salaries. The bonus does not increase the employees' base pay.
5. The minimum and maximum rates for EMCP salary ranges shall be increased by three and one-half percent (3.5%) effective October 1, 2006.
6. Employees shall receive WIRP pay increases on their WIRP dates from July 1, 2006 through June 30, 2007.
7. Employees shall receive a three and one-half percent (3.5%) increase effective October 1, 2005. 6?
8. Employees employed on October 1, 2006 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2005 through June 30, 2006 shall receive a one time lump sum bonus of one percent (1%) of their September 30, 2006 salaries. The bonus does not increase the employees' base pay.

Salaries

[This adjustment is applicable to EMCP employees excluded from BU 09]

The salary adjustments of EMCP employees excluded from BU 09 are at least equal to the salary adjustments negotiated for BU 09.

1. For purposes of the following provisions, the maximum step rate of the applicable BU 09 salary range (e.g. SR-29 for EM 06) shall be utilized in lieu of the maximum rate for the applicable EM salary range, if higher.
2. Employees shall receive Within Range Progression (WIRP) pay increases on their WIRP dates from July 1, 2005 through June 30, 2007.
3. July 1, 2005 – Two percent (2%) across-the-board increase
4. Employees employed on October 1, 2005 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2004 through June 30, 2005 shall receive a one time lump sum bonus of one percent (1%) of

their September 30, 2005 salaries. The bonus does not increase the employees' base pay.

5. January 1, 2006 – Two percent (2%) across-the-board increase

6. July 1, 2006 – Four percent (4%) across-the-board increase

7. October 1, 2006 – Two percent (2%) across-the-board increase

8. Employees employed on October 1, 2006 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2005 through June 30, 2006 shall receive a one time lump sum bonus of one percent (1%) of their September 30, 2006 salaries. The bonus does not increase the employees' base pay.

9. April 1, 2007 – Two percent (2%) across-the-board increase

Wages

[This adjustment is applicable to EMCP employees excluded from BU 11]

The salary adjustments of EMCP employees excluded from BU 11 are at least equal to the salary adjustments negotiated for BU 11.

1. Employees shall receive Within Range Progression (WIRP) pay increases on their WIRP dates from July 1, 2005 through June 30, 2007.

2. July 1, 2005 – Two percent (2%) across-the-board increase

3. Employees employed on October 1, 2005 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2004 through June 30, 2005 shall receive a one time lump sum bonus of one percent (1%) of their September 30, 2005 salaries. The bonus does not increase the employees' base pay.

4. January 1, 2006 – Two percent (2%) across-the-board increase

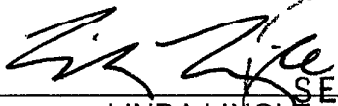
5. July 1, 2006 – The increase will be more than two percent (2%). The specific percent increase for each employee will be determined by the Director of Human Resources Development.

6. Employees employed on October 1, 2006 who received an overall evaluation of "exceptional" for their performance evaluations for the period July 1, 2005 through June 30, 2006 shall receive a one time lump sum bonus of one percent (1%) of their September 30, 2006 salaries. The bonus does not increase the employees' base pay.

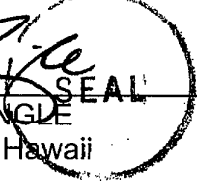
7. January 1, 2007 – Two percent (2%) across-the-board increase

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

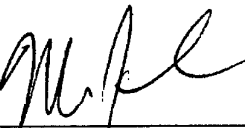
DONE at the State Capitol, Honolulu,
State of Hawaii, this 8th
day of December, 2005.



LINDA LINGLE
Governor of Hawaii



APPROVED AS TO FORM:



MARK J. BENNETT
Attorney General