

EXECUTIVE CHAMBERS

HONOLULU

June 20, 2003

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 531

Honorable Members  
Twenty-Second Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 531, entitled "A Bill for an Act Relating to Public Employees."

This bill amends provisions relating to compensation and benefit adjustments for excluded managerial civil service employees. The bill provides that, in formulating recommendations to the appropriate authority, the respective director shall ensure that proposed adjustments are consistent with civil service laws and equivalent or not less than adjustments provided for counterpart included civil service employees within the employer's jurisdiction.

This bill is objectionable and poor public policy, because the compensation and benefits packages for high-level excluded managerial employees will be linked to benefits obtained by the Unions through negotiation. This creates a conflict of interest for excluded managers, it reduces management's flexibility in employing excluded personnel, and it is contrary to the underlying rationale for creating excluded positions that are not subject to collective bargaining. In addition, the establishment of a compensation "floor" that is no less than the compensation negotiated for counterpart included civil service employees undermines the effort to establish pay for performance. Poor excluded performers receive the same as included counterparts, leaving less resources available to reward outstanding performers.

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For the foregoing reasons, I am returning House Bill  
No. 531 without my approval.

Respectfully,

LINDA LINGLE  
Governor of Hawaii

P R O C L A M A T I O N

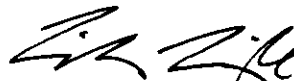
WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 531, entitled "A Bill for an Act Relating to Public Employees," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 531 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, LINDA LINGLE, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 531 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu,  
State of Hawaii, this 20th day  
of June, 2003.



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LINDA LINGLE  
Governor of Hawaii