

STAND. COM. REP. NO. **2274**

Honolulu, Hawaii

Feb. 17, 2006

RE: S.B. No. 2642

S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Labor, to which was referred S.B. No. 2642
entitled:

"A BILL FOR AN ACT REGARDING PERSONNEL ADMINISTRATION,"

begs leave to report as follows:

The purpose of this measure is to allow the Department of
Human Resources Development (DHRD) to delegate to the appointing
authority the appointment of non-residents and non-citizens when
necessary to provide services essential to the public interest.

Testimony in support of this measure was submitted by DHRD
and the Hawaii Government Employees Association, AFSCME Local 152,
AFL-CIO. Testimony in opposition to this measure was submitted by
the Department of Education (DOE). Comments on this measure were
submitted by the Department of the Attorney General.

Your Committee finds that, under the current law, the
appointing authorities are able to approve the appointment of
non-residents and non-citizens when services essential to the
public interest require highly specialized, technical, and
scientific skills or knowledge in critical-to-fill and labor
shortage positions. Your Committees further find that it is
prudent to restore the appointment authority, or the delegation of
this authority, to the head of personnel for the hiring
jurisdiction in order to establish and promote consistency in the
State's hiring practices. This change will also help to ensure
that the authority is properly utilized to safeguard against the



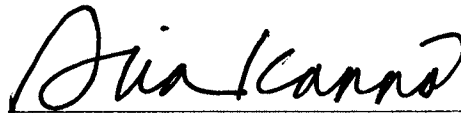
unwarranted and unjustifiable hiring of non-residents, including hiring based on the practice of cronyism.

Accordingly, your Committee has amended this measure by:

- (1) Authorizing a director, as defined in section 76-11, Hawaii Revised Statutes (HRS), rather than DHRD, the authority over appointments under section 78-1(d), HRS, to account for the separate authority of the DOE established under Act 51, Session Laws of Hawaii 2004;
- (2) Clarifying that the director, as defined in section 76-11, HRS, can appoint or delegate to the appointing authority the authority to appoint non-residents and non-citizens, under section 78-1(d), HRS; and
- (3) Changing the effective date of the Act to July 1, 2006, to ensure that the DOE's authority as a separate jurisdiction, as established under Act 51, SLH 2004, is unfettered.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2642, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2642, S.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Labor,



BRIAN KANNO, Chair



