

Honolulu, Hawaii

Feb. 17

, 2006

RE: S.B. No. 3009
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. 3009
entitled:

"A BILL FOR AN ACT RELATING TO CIVIL SERVICE EXEMPT
EMPLOYEES,"

begs leave to report as follows:

The purpose of this measure is to change the status of
positions that are statutorily exempt from civil service to civil
service positions in order to conform to the intent of Act 253,
Session Laws of Hawaii 2000.

This measure affects civil service exempt positions within
the following departments, programs, or agencies:

- (1) Historic preservation program;
- (2) Department of Commerce and Consumer Affairs (DCCA),
Compliance Resolution Fund;
- (3) Department of the Attorney General;
- (4) Hawaii Employer-Union Health Benefits Trust Fund (EUTF);
- (5) Department of Health;
- (6) Department of Land and Natural Resources, Special Land
and Development Fund;



- (7) Commission on Water Resource Management;
- (8) Workforce Development Council;
- (9) Hawaii Community Development Authority;
- (10) Public Utilities Commission;
- (11) Waterwaste Treatment;
- (12) Office of Solid Waste Management;
- (13) Medicaid Home and Community-based Waiver Programs;
- (14) Disability and Communication Access Board;
- (15) Office of Community Services;
- (16) Hawaii Career Information Delivery System;
- (17) Division of Financial Institutions;
- (18) Insurance Division of DCCA; and
- (19) Office of the Public Defender.

Testimony in support of this measure was submitted by the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and two individuals. Testimony in opposition to this measure was submitted by DCCA, the Housing and Community Development Corporation of Hawaii, the Public Utilities Commission, and the Office of the Public Defender. Comments on the measure were also submitted by the Department of Human Services, the Department of Human Resources Development (DHRD), the Department of the Attorney General, and the EUTF.

Your Committee finds that, pursuant Act 253, SLH 2000, the Legislature sought to reduce the number of civil service exempt employees in public service within the State. Your Committee further finds that DHRD was tasked with annually reporting to the Legislature on the number of civil service exempt employees and recommendations on the necessity of changing the status of their positions. DHRD reports have indicated that despite the edict of the Legislature, the conversion of civil service exempt positions since Act 253 was enacted have been few and are long overdue. The



conversion of civil service exempt positions to civil service positions is necessary to support a system of fairness within the government. Many civil service exempt employees perform the same duties and functions as civil service employees and have devoted their entire careers to public service, yet they lack the same types of benefits and protections afforded their civil service counterparts. Your Committee believes that this measure will demonstrate the Legislature's continued efforts in promoting and preserving the intents and purposes of the civil service system.

Accordingly, your Committee has amended this measure by:

- (1) Amending section 7 to allow the EUTF to hire civil service exempt employees for the following positions: an assistant administrator, financial management officer, information systems analyst, health program benefits manager, any other equal or higher level managers, and an administrative secretary;
- (2) Amending section 28 to extend rather than eliminate the sunset date of Act 128, SLH 2004, to July 1, 2007, which allows civil service exempt employees with six consecutive years of service to apply for intra- and inter-departmental transfers or promotions; and
- (3) Making technical, nonsubstantive changes to reflect preferred drafting style and for purposes of clarity.

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. 3009, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3009, S.D. 1, and be referred to the Committee on Ways and Means.

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



BRIAN KANNO, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Labor
(Bills and Resolutions)

| | | | | |
|---|--|-------------------------|------|---------|
| Measure:* SB 3009 | Committee Referral: LBR, NAM | Date: 2/10/09 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313) | | | | |
| Members | Ayes | Ayes(WR) | Nays | Excused |
| KANNO, Brian (C) | ✓ | | | |
| IHARA, Jr., Les (VC) | | | | ✓ |
| TANIGUCHI, Brian T. | ✓ | | | |
| SLOM, Sam | | | ✓ | |
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| TOTAL | 2 | | 1 | 1 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Do not list more than one measure per Record of Votes.