

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 3009
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3009, S.D. 1, 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.

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

- (1) The Department of Land and Natural Resources, Historic Preservation Program;
- (2) The Department of Commerce and Consumer Affairs, Compliance Resolution Fund;
- (3) The Department of the Attorney General;
- (4) The Hawaii Employer-Union Health Benefits Trust Fund;
- (5) The Department of Health, Environmental Response Program;



- (6) The Department of Land and Natural Resources, Special Land and Development Fund;
- (7) The Commission on Water Resource Management;
- (8) Housing and Community Development Corporation of Hawaii;
- (9) The Workforce Development Council;
- (10) The Hawaii Community Development Authority;
- (11) The Public Utilities Commission;
- (12) The Department of Health, Clean Air Branch;
- (13) The Department of Health, Office of Solid Waste Management;
- (14) The Department of Human Services, Medicaid Home and Community-based Waiver Programs;
- (15) The Department of Health, Disability and Communication Access Board;
- (16) The Department of Labor and Industrial Relations, Office of Community Services;
- (17) The Department of Labor and Industrial Relations, Hawaii Career Information Delivery System;
- (18) The Department of Labor and Industrial Relations, Employment and Training Fund;
- (19) The Department of Commerce and Consumer Affairs, Division of Financial Institutions;
- (20) The Department of Commerce and Consumer Affairs, Insurance Division;
- (21) The Department of Commerce and Consumer Affairs, Cable Television Division; and
- (22) Office of the Public Defender.



The measure also:

- (1) Specifies that, for the Employer-Union Health Benefits Trust Fund:
 - (A) Repeals the provision that made positions transferred from the defunct Public Employees Health Fund become exempt; and
 - (B) May continue 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; and
- (2) Extends the sunset date of Act 128, Session Laws of Hawaii 2004, from July 1, 2006, to July 1, 2007, which, among other things, allows civil service exempt employees with six consecutive years of service to apply for intra- and inter-departmental transfers or promotions.

Your Committee finds that, pursuant to Act 253, Session Laws of Hawaii 2000, the Legislature sought to reduce the number of civil service exempt employees in public service within the State. Your Committee further finds that the Department of Human Resources Development 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.

The Department of Human Resources Development reports have indicated that, despite Act 253, Session Laws of Hawaii 2000, the conversion of civil service exempt positions since Act 253 was enacted have been few and are long overdue.

Your Committee has amended the measure by deleting the sections that require the following departments, programs, or agencies to convert their exempt positions to civil service:

- (1) The Hawaii Employer-Union Health Benefits Trust Fund;
- (2) The Department of Health, Environmental Response Program;



- (3) The Department of Land and Natural Resources, Special Land and Development Fund;
- (4) Housing and Community Development Corporation of Hawaii;
- (5) The Department of Health, Clean Air Branch;
- (6) The Department of Health, Disability and Communication Access Board; and
- (7) The Department of Commerce and Consumer Affairs, Insurance Division.

Your Committee has also:

- (1) Provided the Department of Human Resources Development with one year to effectuate the conversion of the positions effected by the measure; and
- (2) Made technical nonsubstantive changes for style and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3009, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3009, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

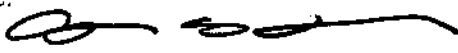


BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:* SB 3009 SD1	Committee Referral: LBR, WAM	Date: 2/27/06		
<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
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
INOUYE, Lorraine R.	/			
KANNO, Brian	/			
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman	/			
HEMMINGS, Fred				/
SLOM, Sam			/	
TRIMBLE, Gordon			/	
TOTAL	12	0	2	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.