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February 24, 2008

TESTIMONY TO THE
SENATE COMMITTEE ON JUDICIARY AND LABOR

For Hearing on February 25, 2008
10:00 AM, Conference Room 016

BY

MARIE C. LADERTA, DIRECTOR

**Senate Bill No. 2435, SD1
Relating to Qualified Community Rehabilitation Programs**

TO CHAIRPERSON BRIAN T. TANIGUCHI AND MEMBERS OF THE COMMITTEE:

Act 191, Session Laws of Hawaii 2007 (House Bill No. 1171) amended §76-77, Hawaii Revised Statutes (HRS), to establish a new subsection (16) to allow the counties to enter into contracts with private persons or entities for services lasting no more than one year and at cost of no more than \$750,000. Senate Bill No. 2435, SD1 amends the new subsection to limit the contracting of services to qualified community rehabilitation programs, as defined in Section 103D-1001, increases the monetary limit to \$1,000,000, and requires the Department of Human Resources Development to submit annual reports to the legislature.

The Department of Human Resources Development (DHRD), **supports** this bill and also respectfully requests that §76-16, HRS, be amended to provide an exemption from civil service to State departments and agencies to contract for services with qualified community rehabilitation programs.

In passing H.B. 1171 last year, the legislature recognized that the counties need flexibility to contract for services. State departments and agencies that provide community rehabilitation services also need flexibility to contract for services when needed services cannot be provided by authorized positions and staff. At times, the number of authorized positions is not sufficient to meet the needs of State programs and additional services are temporarily required. In other situations, authorized positions are available, but the positions cannot be filled due to recruitment difficulties or cannot be filled quickly enough because the need for additional services is immediate.

If the new exemption to contract for services with qualified community rehabilitation programs is extended to the State, we are committed to using the exemption judiciously and in a fashion which will not negatively impact or displace civil service employees.

The portion of the bill relating to the reporting requirement should be amended. The bill currently requires the Department of Human Resources Development to submit annual reports to the legislature regarding contracting for services with qualified community rehabilitation programs, but does not provide an exemption for the State to contract with such programs. The reporting requirement should be modified to require the personnel or human resources agency of each affected jurisdiction to submit a report covering that jurisdiction.

We urge you to pass this bill and provide the same exemption to contract for services to the State. Thank you for the opportunity to testify on this important measure.

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Working Together for Hawaii

The Twenty-Fourth Legislature, State of Hawaii
Hawaii State Senate
Committee on Judiciary and Labor

Testimony by
HGEA/AFSCME, Local 152, AFL-CIO
February 25, 2008

S.B. 2435, S.D. 1 – RELATING TO
QUALIFIED REHABILITATION
PROGRAMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes this measure. During the 2007 Regular Session, we worked collaboratively with the counties and other interested parties to pass H.B. 1171, C.D. 1, which became Act 191, SLH 2007. This measure exempts contracts for personal services with private persons or entities lasting no more than one year and at a cost of \$750,000 or less. We do not believe the amendment to Section 76-77, HRS is needed at this time.

Thank you for the opportunity to testify in opposition of this measure.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nora A. Nomura".

Nora A. Nomura
Deputy Executive Director