

STAND. COM. REP. NO.

1011

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 111

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Labor, to which was referred H.B. No. 111
entitled:

"A BILL FOR AN ACT RELATING TO STATE SALARIES,"

begs leave to report as follows:

The purpose of this measure is to establish a two-year
statute of limitations for recovering indebtedness to the State
through the withholding of state salaries.

Testimony in support of this measure was submitted by two
organizations and one individual. Comments were submitted by one
state agency and two organizations. Written testimony presented
to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the State is currently allowed an
unlimited amount of time to collect overpayments made to state
employees, even when the overpayments were made in error by the
State. Your Committee further finds that this measure provides
employees with an equal protection against the State collecting
portions of their salaries after more than two years, as in many
cases repayment is an unexpected, additional financial burden on
those employees.

In addition to addressing the statute of limitations for the
State's recovery of debt through the withholding of state
salaries, your Committee also finds necessary an amendment to the
salary of the recently vacated state Captive Insurance
Administrator position. In order to attract the best candidates

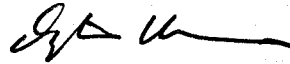
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for this position, your Committee has amended this measure by increasing the maximum salary of the Captive Insurance Administrator to an amount equal to the maximum salary of the First Deputy to the Director of Commerce and Consumer Affairs.

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 H.B. No. 111, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 111, 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,

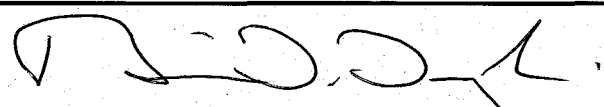


DWIGHT Y. TAKAMINE, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Labor
LBR

| | | | | |
|---|---|---------------------------------------|----------------------------------|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 1111 | LBR, UNAM | 3-24-09 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: | | | | |
| <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 | Aye | Aye (WR) | Nay | Excused |
| TAKAMINE, Dwight Y. (C) | ✓ | | | |
| TANIGUCHI, Brian T. (VC) | ✓ | | | |
| BUNDA, Robert | | | | ✓ |
| HEE, Clayton | | | | ✓ |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 3 | 0 | 0 | 2 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
|  | | | | |
| Distribution: | | | | |
| Original File with Committee Report | Yellow Clerk's Office | Pink Drafting Agency | Goldenrod Committee File Copy | |

*Only one measure per Record of Votes