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February 5, 2009

To: The Honorable Karl Rhoads, Chair
and Members of the House Committee on Labor & Public Employment

Date: Friday, February 6, 2009

Time: 8:30 a.m.

Place: Conference Room 309
State Capitol

From: Darwin L.D. Ching, Director
Department of Labor and Industrial Relations

H.B. 1287 - Relating to Public Employment

I. OVERVIEW OF PROPOSED LEGISLATION

H.B. 1287 proposes to place restrictions on the creation of civil service exempt positions and requires an annual review of exempt positions to determine whether they should be converted to civil service positions.

II. CURRENT LAW

Currently the proposed restrictions do not exist.

III. SENATE BILL

The Department opposes this bill for the following reason:

The proposed restrictions on exempt positions will cripple the Department's flexibility in hiring qualified individuals for definite periods of time.

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GOVERNOR



RUSS K. SAITO
Comptroller

BARBARA A. ANNIS
Deputy Comptroller

**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
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Late Testimony

WRITTEN TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
LABOR & PUBLIC EMPLOYMENT
ON
February 6, 2009

H.B. 1287

RELATING TO PUBLIC EMPLOYMENT

Chair Rhoads and members of the Committee, thank you for the opportunity to testify on H.B. 1287.

The Department Accounting and General Services opposes this bill.

H.B. 1287 would repeal exempt positions every three years. This would hamper the State in its determination of the best way to fill and maintain services for the public. It would also limit the State's ability to effectively utilize exempt positions to fulfill job requirements that cannot be fulfilled by civil service positions.

Exempt positions give the State flexibility in job classification, pay, and recruitment that are necessary for non-traditional projects or programs. The proposed elimination of exempt positions will hinder agencies' ability to implement these projects and programs, and the public services they provide.

Thank you for the opportunity to testify on this matter.