

Honolulu, Hawaii

Feb 11, 2010

RE: H.B. No. 2460
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2460 entitled:

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

begs leave to report as follows:

The purpose of this bill is to streamline government by:

- (1) Converting the Department of Human Resources Development (DHRD) from a principal state department to a division of the Department of Labor and Industrial Relations (DLIR); and
- (2) Transferring the Commission on Salaries and Board of Trustees of the Deferred Compensation Plan to the Department of Accounting and General Services (DAGS).

DLIR, DHRD, DAGS, the Department of the Attorney General (AG), Department of Budget and Finance, and United Public Workers opposed this bill.

Your Committee notes that a number of concerns were raised with regard to the departmental reorganization proposed in this measure. In particular, the AG noted that the transfer would result in a conflict of interest relating to workers' compensation claims processed by the Employee Claims Division (ECD). Nonetheless, given the current fiscal condition of the State, your Committee believes that this measure deserves further



consideration as a means of streamlining government and saving costs.

Your Committee has amended this bill by:

- (1) Transferring ECD from DHRD to DAGS, to address the concerns of the AG; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2460, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2460, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 309-10

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2460	Committee Referral: LAB, FIN	Date: 2-5-2010		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	✓			
2. YAMASHITA, Kyle T. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. AWANA, Karen Leinani		✓		
5. HANOHANO, Faye P.		✓		
6. KEITH-AGARAN, Gilbert S.C.		✓		
7. LEE, Marilyn B.				✓
8. NAKASHIMA, Mark M.	✓			
9. SAIKI, Scott K.	✓			
10. SOUKI, Joseph M.		✓		
11. TAKUMI, Roy M.				✓
12. PINE, Kymberly Marcos				✓
TOTAL (12)	5	4	—	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
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