

STAND. COM. REP. NO. 1173

Honolulu, Hawaii

March 25, 2009

RE: S.B. No. 1122
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 1122, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT,"

begs leave to report as follows:

The purpose of this bill is to ensure that a fair and equitable civil service system is used for a majority of employees in public service by changing the status of public employment positions that are statutorily exempt from civil service to civil service positions. This measure conforms to the intent and purpose of Act 253, Session Laws of Hawaii 2000, better known as the "Civil Service Reform Act."

Three exempt employees testified in support of this bill. The Judiciary, Department of Accounting and General Services, Hawaii Public Housing Authority, Department of Human Resources Development, Department of Land and Natural Resources, Department of Public Safety, Department of Commerce and Consumer Affairs, Department of Health, Office of the Public Defender, and Department of Labor and Industrial Relations testified in opposition to this measure. The Employer-Union Health Benefits Trust Fund provided comments on this bill.

To preserve the principle that the civil service system comprises all positions in the state, your Committee finds that the number of civil service exempt positions should be limited to

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the greatest extent possible. The proliferation of exempt positions in the state over the years tends to undermine this principle. Placing limits on the number of exempt positions and regularly monitoring the implementation of those limits will help preserve the integrity of the civil service system.

However, your Committee understands that concerns have been raised regarding this bill but believes that these concerns can be addressed as the bill makes its way through the legislative process. Nevertheless, to address some of these concerns, your Committee has amended this bill by deleting its contents and replacing it with language contained in H.B. No. 1287, HD1. As amended, this bill accomplishes the same goals of the original bill by converting certain exempt state positions to civil service status but also:

- (1) Removes the requirement that civil service exempt positions be repealed every three years unless extended by the Legislature;
- (2) Provides for the automatic conversion of civil service exempt positions to civil service positions within three years of the enactment of this measure; and
- (3) Deletes the provision that makes it mandatory for employees of the Office of the Public Defender to be appointed in accordance with civil service requirements.

Technical, nonsubstantive amendments were also made 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 S.B. No. 1122, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1122, S.D. 2, 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

KARL RHOADS, Chair



