

STAND. COM. REP. NO.

375

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1090
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 1090 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Effect the mandatory conversion of positions that are exempt from civil service to civil service positions; and
- (2) Clarify that certain positions shall be filled according to the state Civil Service Law three years after the measure is effective.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association and the Society for Hawaiian Archaeology. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs; the Department of Public Safety; and the Office of Community Services, Department of Labor and Industrial Relations. Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that this measure is intended to amend sections of the Hawaii Revised Statutes in order to conform with Act 253, Session Laws of Hawaii 2000, which placed restrictions on the creation of civil service exempt positions and required an

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annual review of exempt positions in order to determine whether those positions should remain exempt or be converted to civil service positions. Your Committee notes that there are many benefits to civil service, including that civil service status promotes stability among staff and fosters the retention of institutional memory in government agencies. Additionally, the civil service status of regulatory workers protects them from inappropriate pressure and treatment. Further, civil service protects employees via collective bargaining agreements in key areas such as discipline, overtime, and reduction-in-force. Moreover, inappropriate use of exempt positions can result in the hiring of employees who are compensated more than their experience and qualifications warrant.

On the other hand, your Committee also recognizes that the conversion of exempt positions reduces the flexibility of departments and agencies to attract and retain employees from the private sector who may receive compensation packages that are different than those provided to civil service employees in similar positions. Your Committee understands the reluctance of the state departments to forfeit the flexibility afforded by exempt positions and acknowledges that there has been some effort by these departments to convert positions; however, your Committee believes that there are still areas of improvement where exempt positions may be converted for the benefit of the employees and the State.

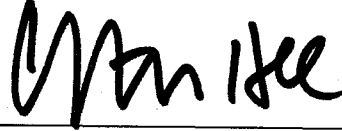
Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to allow for further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1090, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1090, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



CLAYTON HEE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 1090	Committee Referral: JDL, WAM	Date: 2/15/11		
<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
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile (VC)	✓			
GABBARD, Mike				✓
IHARA, Jr., Les	✓			
SLOM, Sam				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes