

NEIL ABERCROMBIE
GOVERNOR



BARBARA A. KRIEG
INTERIM DIRECTOR

LEILA A. KAGAWA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

REVISED 3/22/12

March 22, 2012

TESTIMONY TO THE
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

For Hearing on Friday, March 23, 2012
11:00 a.m., Conference Room 309

BY

BARBARA A. KRIEG
INTERIM DIRECTOR

**House Concurrent Resolution No. 152
Requesting the Department of Human Resources Development to Convene a Task
Force to Examine Management Policies Regarding the Use of Overtime by State
and County Employees**

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON KARL RHOADS AND MEMBERS OF THE COMMITTEE:

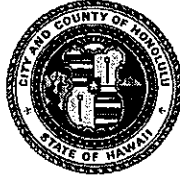
The purpose of HCR 152 is to request the Department of Human Resources Development to convene a task force to examine management policies regarding the use of overtime by State and county employees.

The Department of Human Resources Development **supports** this resolution as it is an opportunity to bring stakeholders together to collaboratively look at the issue of overtime and to make recommendations in the formulation of statewide management policies and operational decisions, including in connection with the adoption of integrated technology solutions.

Thank you for the opportunity to provide testimony on this resolution.

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 * HONOLULU, HAWAII 96813
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PETER B. CARLISLE
MAYOR

DOUGLAS S. CHIN
MANAGING DIRECTOR

CHRYSTN K. A. EADS
DEPUTY MANAGING DIRECTOR

March 23, 2012

The Honorable Karl Rhoads, Chair
House Committee on Labor and Public Employment
Twenty-Sixth Legislature
Regular Session of 2012
State of Hawaii

RE: Testimony of Mayor Peter Carlisle on H.C.R. 152, Requesting the Department of Human Resources Development to Convene a Task Force to Examine Management Policies Regarding the Use of Overtime by State and County Employees.

Chair Rhoads and members of the House Committee on Labor and Public Employment, Mayor Peter Carlisle submits the following testimony in support of H.C.R. 152.

The purpose of this resolution is to request the Department of Human Resources Development to convene a task force on overtime use and management by state and county agencies and employees. Members of the task force include representatives of the Mayors of each county as well as representatives from the Hawaii Government Employees Association and the United Public Workers.

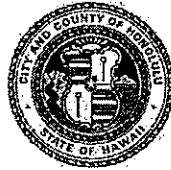
Responsible fiscal management of city funds and resources has always been a priority for me. As such, I particularly appreciate the inclusion of a representative from the City and County on the task force and fully support the task force goal to comprehensively review possible methods to reduce overtime use. It has become very clear that in the discussions on the pension "spiking" bills being considered by the legislature this year, that use of overtime is a complex issue which involves labor contracts, staffing issues for first responders, and management practices. As one of the major employers in the state, with over 8,700 employees, I would welcome the opportunity for the City and County to participate on the task force and in any future discussions on this issue.

Thank you for this opportunity to testify before you.

HONOLULU FIRE DEPARTMENT
CITY AND COUNTY OF HONOLULU

636 South Street
Honolulu, Hawaii 96813-5007
Phone: 808-723-7139 Fax: 808-723-7111 Internet: www.honolulu.gov/hfd

PETER B. CARLISLE
MAYOR



KENNETH G. SILVA
FIRE CHIEF

EMMIT A. KANE
DEPUTY FIRE CHIEF

March 22, 2012

The Honorable Karl Rhoads, Chair
Committee on Labor and Public Employment
House of Representatives
State Capitol, Room 326
Honolulu, Hawaii 96813

Dear Chair Rhoads:

Subject: H.C.R. 152 Requesting the Department of Human Resources Development to Convene a Task Force to Examine Management Policies Regarding the Use of Overtime by State and County Employees

I am Kenneth G. Silva, Fire Chief of the Honolulu Fire Department (HFD). The City and County of Honolulu (City) supports efforts to address the unfunded liability of the ERS in a fair and equitable manner. The HFD supports the intent of this resolution and the inclusion of a City representative.

The HFD's overtime is operationally driven due to emergency services provided on a 24 hours per day, 7 days per week basis. The HFD budgets holiday and nonholiday overtime costs, which involves work on state holidays. Employees on a 56-hour workweek schedule are allotted three hours of overtime per week and together with holiday overtime, this amounts to an approximate ten percent increase of the employee's base salary. These costs are determined through collective bargaining agreements. Nonholiday overtime is controlled and approved by the Department's executive staff to prevent abuse.

Other overtime is determined according to the nature of the work performed, i.e., Fire Investigators and Public Information Officers rotate being on standby, and such overtime is earned when callouts occur. The HFD consistently operates within its budget on holiday and nonholiday overtime costs.

We believe that the task force will assemble relevant information from many stakeholders in order for the legislature to consider a fair and equitable solution to the

The Honorable Karl Rhoads, Chair

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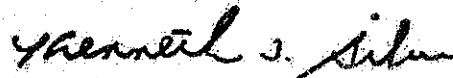
March 22, 2012

ERS' unfunded liability. We also believe employee overtime may be only one part of the solution to reducing the unfunded liability and that public safety employee overtime may be unfairly portrayed without a clear understanding of issues relating to collective bargaining, staffing requirements, and management practices. This may minimize the unforeseen consequences of a solution that has not been carefully examined.

The HFD urges your committee's consideration of our comments and recommends that H.C.R. 152 be deferred.

Should you have any questions, please contact Battalion Chief Socrates Bratakos of our Fire Prevention Bureau at 723-7151 or sbratakos@honolulu.gov.

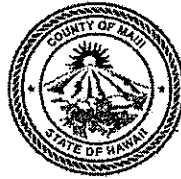
Sincerely,



KENNETH G. SILVA
Fire Chief

KGS/LR:cn

ALAN M. ARAKAWA
MAYOR



JEFFREY A. MURRAY
CHIEF

ROBERT M. SHIMADA
DEPUTY CHIEF

COUNTY OF MAUI
DEPARTMENT OF FIRE AND PUBLIC SAFETY

200 DAIRY ROAD
KAHULUI, MAUI, HAWAII 96732
(808) 270-7561
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EMAIL: fire.dept@mauicounty.gov

March 21, 2012

The Honorable Karl Rhoads, Chair
Committee on Labor and Public Employment
The House of Representatives
State Capitol, Room 326
Honolulu, Hawaii 96813

Dear Chair Rhoads:

Subject: H.C.R. 152 Requesting the Department of Human Resources Development to Convene a Task Force to Examine the Management Policies Regarding the Use of Overtime by State and County Employees

I am Jeffrey A. Murray, Fire Chief of the County of Maui, Department of Fire & Public Safety (MFD). The County of Maui supports efforts to address the unfunded liability of the ERS in a fair and equitable manner. The MFD supports the intent of this resolution and the inclusion of a representative from the County of Maui.

The MFD's overtime is operationally driven due to emergency services provided on a 24 hours per day, 7 days per week basis. The MFD budgets holiday and nonholiday overtime costs, which involves work on state holidays. Employees on a 56-hour workweek schedule are allotted three hours of overtime per week and together with holiday overtime, this amounts to an approximate ten percent increase of the employee's base salary. These costs are determined through collective bargaining agreements. Nonholiday overtime is controlled and approved by the Department's executive staff to prevent abuse.

Other overtime is determined according to the nature of the work performed and such overtime is earned when emergency callouts occur. The MFD consistently operates within its budget on holiday and nonholiday overtime costs.

We believe that the task force will assemble all of the relevant information from many stakeholders in order for the legislature to consider a fair and equitable solution to the

The Honorable Karl Rhoads, Chair

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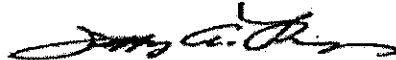
March 21, 2012

ERS's unfunded liability. We believe employee overtime may be only one part of the solution to reducing the unfunded liability and that public safety employee overtime may be unfairly portrayed without a clear understanding of issues relating to collective bargaining, staffing requirements and management practices. We believe this may minimize the unforeseen consequences of a solution that has not been carefully examined.

The MFD urges your committee's consideration of our comments and recommends that H.B. 2487, H.D. 1 be deferred.

Should you have any questions, please contact me at (808) 270-7561.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Murray".

JEFFREY A. MURRAY
Fire Chief