



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

February 23, 2012

**COMMENTS TO THE
SENATE COMMITTEE ON WAYS AND MEANS**

For Hearing on Tuesday, February 28, 2012
9:00 a.m., Conference Room 211

BY

BARBARA A. KRIEG
INTERIM DIRECTOR

Senate Bill No. 3037, S.D. 1
Relating to the Pacific International Space Center for Exploration Systems

WRITTEN COMMENTS ONLY

TO CHAIRPERSON IGE AND MEMBERS OF THE COMMITTEE:

The purpose of S.B. No. 3037, S.D.1 is to transfer the Pacific International Space Center for Exploration Systems ("PISCES") from the University of Hawaii to the Department of Business, Economic Development and Tourism's Office of Aerospace Development. The bill establishes a PISCES Board of Directors and appropriates funds.

The Department of Human Resources Development has **comments** on the proposed transfer. To protect the rights and benefits of the employees to be transferred, we recommend the following proposed transfer language be used in place of the transfer language in Section 6 lines 19-22 on page 8, lines 1-22 on page 9 and lines 1-5 on page 10 to read:

“All employees who occupy civil service positions and whose functions are transferred to the department of business, economic development and tourism by this Act shall retain their civil service status (permanent or temporary). Employees shall be transferred without loss of salary, seniority, retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act, provided that the employees possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable, provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act, may continue to retain the employee’s exempt status, but shall not be appointed to a civil service position because of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, any vacation and sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act, provided that the employees possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided that subsequent changes in status may be made pursuant to applicable employment and compensation laws. The director of the department of business, economic development and tourism may prescribe the

duties and qualifications of such employees and fix their salaries without regard to chapter 76, Hawaii Revised Statutes.”

Thank you for the opportunity to offer comments on this measure.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
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Statement of

RICHARD C. LIM
Director

Department of Business, Economic Development & Tourism
before the

**SENATE COMMITTEE ON
WAYS AND MEANS**

Tuesday, February 28, 2012
9:00 AM

State Capitol, Conference Room 211
in consideration of

SB 3037 SD1

**RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER
FOR EXPLORATION SYSTEMS.**

Chair Ige, Vice Chair Kidani, and members of the Committee.

The Department of Business, Economic Development and Tourism supports the intent of this bill, especially as it addresses initiatives supportive of our goals and objectives, but we also are concerned about the potential cost implications generated by this legislation.

We recognize the substantial contributions PISCES has made to date, including its role in supporting aerospace research, education, and the development, testing and evaluation of innovative technologies to support the exploration of space.

DBEDT will work with the University of Hawaii and other interested parties to discuss the issues raised from this measure.

Thank you for the opportunity to testify on this bill.