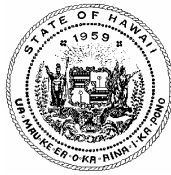


NEIL ABERCROMBIE
GOVERNOR



BARBARA A. KRIEG
DIRECTOR

LEILA A. KAGAWA
DEPUTY DIRECTOR

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

March 25, 2014

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

For Hearing on Friday, March 28, 2014
9:25 a.m. Conference Room 211

BY

BARBARA A. KRIEG
DIRECTOR

**House Bill No. 1966, HD1, SD1
Relating to Public Employees**

TO CHAIRPERSON DAVID Y. IGE AND MEMBERS OF THE COMMITTEE:

House Bill 1966, House Draft 1, Senate Draft 1 requires the state auditor to (1) review the current civil service exemption process in section 76-16, Hawaii Revised Statutes and recommend procedures and guidelines to ensure the appropriate utilization of this process, (2) determine the reasons State departments and agencies have used the civil service exemption process, and (3) make recommendations to update the process for updating position descriptions to accurately reflect duties that employees are expected to perform.

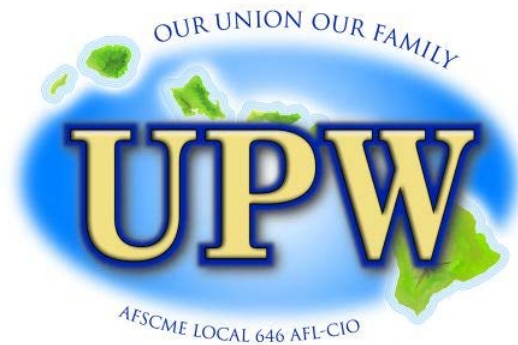
The Department of Human Resources Development (DHRD) submits the following comments on this bill. First, the State Executive branch departments under DHRD have recently converted or are in the process of converting close to 500

positions from exempt to civil service. This is a substantial number of positions.

Second, exempt positions can only be established where there is statutory authority for the exemption. There are also good reasons for civil service exemptions in appropriate circumstances, including but not limited to where funding is temporary, the function is of short duration, or the positions require highly specialized skills.

Finally, there are existing policies and procedures for the establishment of position descriptions, including the update of position descriptions when there are significant changes to the job duties and responsibilities. Although we agree that departments should maintain accurate position descriptions at all times, we understand this is not always done due to the challenges of competing priorities.

Thank you for the opportunity to provide testimony on H.B.1966, H.D.1, S.D.1.



THE HAWAII STATE SENATE
The Twenty-Seventh Legislature
Regular Session of 2014

COMMITTEE ON WAYS AND MEANS

The Honorable Sen. David Y. Ige, Chair
The Honorable Sen. Michelle N. Kidani, Vice Chair

DATE OF HEARING: Friday, February 8, 2014
TIME OF HEARING: 9:25 A.M.
PLACE OF HEARING: Conference Room 211

TESTIMONY ON HB1966 HD1 SD1 RELATING TO PUBLIC EMPLOYEES

By DAYTON M. NAKANELUA,
State Director of the United Public Workers, AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

The UPW strongly supports HB1966 HD1 SD1, which requires the State Auditor to review the current civil service exemption process and recommend procedures, guidelines, and criteria to ensure that the civil service exemption process is used appropriately and only in extraordinary circumstances. Requires the State Auditor to submit a report to the legislature prior to the regular session of 2015.

We ask that you pass this bill.

Thank you for the opportunity to testify on this measure.