

Honolulu, Hawaii
February 17, 2016

RE: H.B. No. 2008
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2008 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit the State from hiring any person for more than one 89-day term for a fully or partially general-funded position during that person's lifetime; and
- (2) Exempt the following:
 - (A) Certain contracts for which a contracting process is established by law;
 - (B) The counties; and
 - (C) The Legislature.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Health; Department of Hawaiian Home Lands; Department of Agriculture; Department of Taxation; Department of Public Safety; State Ethics Commission; Campaign Spending Commission; Department of Land and Natural Resources; Department of Transportation; Department of Education; Department of the Attorney General; Hawaii Public Housing Authority; Hawaii Health Systems Corporation; Department



of Business, Economic Development, and Tourism; Ethics Commission of the City and County of Honolulu; and two concerned individuals opposed this measure. The Department of Budget and Finance; Department of Human Resources Development; Department of Accounting and General Services; University of Hawaii; and the Office of Enterprise Technology Services commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the allowable 89-day term to two terms;
- (2) Expanding the exceptions to include:
 - (A) Seasonal hires by the Department of Taxation; and
 - (B) Bona fide employees that were held over after retirement for training purposes with a training plan filed with the Department of Human Resources Development; and
- (3) Changing the effective date to July 1, 2017.

Your Committee notes the concerns raised by the Department of Budget and Finance regarding the lack of pension contributions to the Employees' Retirement System, which are estimated between \$3,000,000 to \$4,000,000 per year, for 89-day term employees. Should the Committee on Finance further deliberate on this measure, your Committee respectfully requests that it examine how to balance department operational concerns and general fund liability.

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 H.B. No. 2008, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2008, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



MARK M. NAKASHIMA, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 305-16

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2008	Committee Referral: LAB, FIN	Date: 2/12/16		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. KEOHOKALOLE, Jarrett (VC)	/			
3. AQUINO, Henry J.C.	/			
4. HAR, Sharon E.		/		
5. ICHIYAMA, Linda	/			
6. JOHANSON, Aaron Ling	/			
7. LoPRESTI, Matthew S.	/			
8. SAN BUENAVENTURA, Joy A.				/
9. TAKUMI, Roy M.	/			
10. YAMASHITA, Kyle T.	/			
11. TUPOLA, Andria P.L.		/		
TOTAL (11)	8	2		1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
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