

STAND. COM. REP. NO. 3585

Honolulu, Hawaii

APR 08 2016

RE: H.B. No. 2008
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2008, H.D. 2, S.D. 1, 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 place restrictions on the hiring of temporary employees by the State.

Specifically, this measure:

- (1) Prohibits the State from temporarily employing a person for more than an unspecified number of terms of ninety consecutive days or less for a position wholly funded by general funds;
- (2) Provides exemptions for contracts executed pursuant to chapters 103, 103D, 103F, and 104, Hawaii Revised Statutes, which respectively relate to the expenditure of public money and public contracts, the Hawaii public procurement code, purchases of health and human services, and wages and hours of employees on public works; and
- (3) Provides exemptions for the counties, the Legislature, and seasonal hires employed by the Department of Taxation.



For purposes of a public hearing, your Committee circulated a proposed S.D. 2 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which restricts the temporary employment of persons by the departments.

Specifically, the Proposed Draft:

- (1) Prohibits public employers from temporarily employing a person for more than two consecutive terms of eighty-nine days absent approval of the Governor;
- (2) Authorizes public employers to employ a person for up to four consecutive terms of eighty-nine days or twenty-four consecutive months, with the approval of the Governor;
- (3) Automatically abolishes any position filled by a temporary employee hired for terms of eighty-nine days when that employee remains in the position for more than twenty-four consecutive months; and
- (4) Provides exemptions for temporarily vacant positions arising out of workers' compensation claims, medical leaves, on-going investigations, shortage differentials, working condition differentials, or remote geographical locations.

Your Committee received testimony in support of the S.D. 1 from the Hawaii Government Employees Association and one individual.

Your Committee received testimony in opposition to the S.D. 1 from the Department of the Attorney General, Department of Agriculture, and Hawaii State Ethics Commission.

Your Committee received comments on the S.D. 1 from the Department of Budget and Finance, Department of Human Resources Development, and Department of Taxation.

Your Committee received testimony in support of the Proposed Draft from the Department of Human Resources Development, Department of Public Safety, and Hawaii Government Employees Association.



Your Committee received testimony in opposition to the Proposed Draft from the Department of the Attorney General; Department of Land and Natural Resources; Department of Labor and Industrial Relations; Department of Business, Economic Development, and Tourism; and Office of Enterprise Technology Services.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance, Department of Education, Department of Taxation, Department of Commerce and Consumer Affairs, Department of Agriculture, University of Hawaii System, Department of Transportation, and the Department of Human Resources of the City and County of Honolulu.

Your Committee finds that several state departments hire temporary employees for multiple consecutive eighty-nine day terms in circumvention of the civil service system. These employees are denied participation in collective bargaining and other benefits. Your Committee also finds that, under some circumstances, the hiring of temporary employees, including those hired for multiple consecutive terms of eighty-nine days extending over periods of twenty-four months, can help to address seasonal demands in services and ensure the continuity of operations and critical services.

Your Committee has amended this measure by adopting the Proposed Draft with the following further amendments:

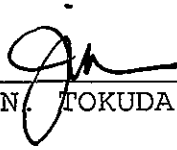
- (1) Specifying that the temporary employment restrictions only apply to state departments and agencies;
- (2) Clarifying that the temporary employment prohibition applies to the temporary employment of the same person in the same position for more than two terms of eighty-nine days;
- (3) Amending the maximum period of temporary employment with the approval of the Governor to eight terms of eighty-nine days within a consecutive twenty-four-month period;
- (4) Deleting the provision requiring the automatic abolishment of any position filled by a temporary employee hired for a term of eighty-nine days when that employee remains in the position for more than twenty-four consecutive months;



- (5) Excluding from the temporary employment restrictions the following: vacancies arising out of a seasonal demand for employees, leaves of absence taken by incumbents with return rights, Department of Education positions for the delivery of special education services, and positions pending reorganization; and
- (6) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2008, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2008, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

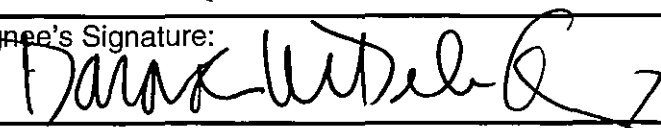


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No. :* HB 2008, HD 2, SD1	Committee Referral: SDL/GVD, WAM	Date: 4/4/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	11			
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