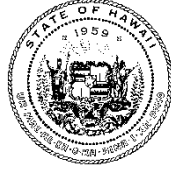


DAVID Y. IGE  
GOVERNOR



RODERICK K. BECKER  
Comptroller

AUDREY HIDANO  
Deputy Comptroller

**STATE OF HAWAII**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF  
RODERICK K. BECKER, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
SENATE COMMITTEE ON WAYS AND MEANS  
ON  
TUESDAY, FEBRUARY 21, 2017  
10:05 A.M.  
CONFERENCE ROOM 211

S.B. 207, S.D. 1

RELATING TO EMPLOYEES.

Chair Tokuda, Vice Chair Dela Cruz, and members of the Committee, thank you for the opportunity to testify on S.B. 207, S.D. 1.

The Department of Accounting and General Services (DAGS) strongly supports Part II of this measure and offers the following comments for your consideration.

Currently, §78-23(c), Hawaii Revised Statutes (HRS), requires the Employee's Designation of Beneficiary Form to be written, notarized, and filed with the comptroller or other disbursing officer who issues warrants or checks to pay an employee for the employee's services. This requirement has resulted in thousands of forms being maintained in a central location at DAGS. Maintaining the forms, which includes manually filing forms alphabetically for new employees, filing updated forms for current employees, and purging forms of employees no longer employed with the State, is extremely labor intensive. By having the forms kept by the employing

department, this form, along with other payroll and personnel forms, would routinely be discarded when no longer required.

The State is in the process of implementing a new payroll system that may be able to maintain beneficiary information entered by the employee. Section 78-23(c), HRS, is also being amended to eliminate the requirement that the form be written and notarized, which will allow the new system to maintain the beneficiary information in an electronic format.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE  
GOVERNOR



JAMES K. NISHIMOTO  
DIRECTOR

RYKER WADA  
DEPUTY DIRECTOR

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

February 17, 2017

TESTIMONY TO THE  
SENATE COMMITTEE ON WAYS AND MEANS  
For Hearing on Tuesday, February 21, 2017  
10:05 a.m., Conference Room 211

By

JAMES K. NISHIMOTO  
DIRECTOR

**Senate Bill No. 207 SD1**  
**Relating to Employees**

CHAIRPERSON TOKUDA, VICE-CHAIR DELA CRUZ AND MEMBERS OF THE  
SENATE COMMITTEE ON WAYS AND MEANS:

S.B. No. 207 SD1 establishes a shared leave program within the Department of Human Resources Development to allow State employees to donate accumulated sick leave and vacation leave credits to a shared leave bank or directly to another state employee who has a serious personal illness or injury or who has a family member who has a serious personal illness or injury.

The Department of Human Resources Development respectfully appreciates the intent of but **opposes SB 207 SD1**. Section 78-26 HRS, Leave Sharing Program, allows for the establishment of leave sharing programs within jurisdictions to allow employees who earn vacation to donate accumulated vacation leave credits to another employee within the same jurisdiction who has a serious personal illness or injury. The program also allows employees who are not entitled to vacation leave to donate

accumulated sick leave credits. Therefore, we believe that this bill may be duplicative.

S.B. 207 SD1 also appears to be in conflict with existing law. Act 253, SLH 2000, removed routine human resource policy and management matters from civil service laws and included the enactment of HRS Section 78-23. That section specifically provides that employees “shall be eligible for vacation leave, sick leave, and other leaves of absence, with or without pay, as negotiated under chapter 89 or adjusted under chapter 89C, as applicable.” S.B. 207 SD1 accordingly attempts to legislate in an area that is required by statute to be a mandatory subject of negotiation.

The scope of S.B. 207 SD1, which includes all state jurisdictions, extends beyond the authority of the Department of Human Resources Development. The jurisdictional scope of the proposal requires assessment of existing policies and programs, for integration into the centralized system, prior to design and implementation. This process needs to be coordinated and agreed upon across all State jurisdictions.

It is recommended that the authority of the grant and appeals processes be formalized, to include a multi-jurisdictional board or referee, to insure fairness and transparency across the affected jurisdictions.

The Department of Human Resources Development does not currently have the resources to track shared leave usage across the span of an employee’s State employment. As the conditions for usage include limitations over the life of an employee’s State employment, a comprehensive and sustainable tracking system is recommended. We also recommend that budget for staffing, software development and maintenance, security, and hosting be included for this program.

Given the foregoing, we recommend that S.B. 207 SD1 be held.

Thank you for the opportunity to provide testimony on S.B. No. 207 SD1.



## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Ninth Legislature, State of Hawaii  
The Senate  
Committee on Ways and Means

Testimony by  
Hawaii Government Employees Association

February 21, 2017

S.B. 207, S.D. 1 – RELATING TO EMPLOYEES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 207, S.D. 1, which establishes a leave share program to allow state employees to donate accumulated sick or vacation leave credits to a shared leave bank or to another state employee who has a serious personal illness or injury.

Currently, many state departments offer a shared leave program for their employees; however each program is run independently from each other, governed by different policies, and without the ability to participate in cross-departmental sharing. The shared leave program as proposed in S.B. 207, S.D. 1 will allow employees not only to donate into a shared leave bank which employees in need can utilize, but also lends the ability to directly assist another state employee. Creating a statewide shared leave program not only significantly expands the pool of eligible leave donors and allows for more employees to participate, but will also ensure consistency and fairness in implementation. Additionally, we respectfully request that should this measure become law that the Employer consult with the Exclusive Representatives on its implementation.

Thank you for the opportunity to testify in strong support of S.B. 207, S.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director

Aloha,

My name is Isabel Jansen and I am writing to support Senate Bill 207 relating to employees. I am currently not employed as I am a part-time student and a stay at home mom. My boyfriend underwent knee surgery in the beginning of 2015 and then had to get surgery on his other knee a month before our daughter was born in September. Because he used most of his sick leave and vacation days for his recovery, he was not able to take off of work to stay at home with our newborn. If there was a shared leave program it would have helped a lot to have been able to receive a donation of vacation leave credits from his co-workers, as I know they are close and would have donated.

Thank you for taking the time to read and consider this message.

- Isabel Jansen

**SB207, SD1**  
**Relating to Employees**  
**Senate Committee on Ways and Means**  
**February 21, 2017**

My name is Malia Espinda. I am a state employee. However, I do not represent my department with this testimony.

My testimony relates to Part 1 of SB 207, SD1.

Currently if a state employee is seriously ill or injured and has used up all accumulated sick *and* vacation leave, the employee may be able to seek donated vacation leave from fellow employees within the same department that the employee works in.

The state employee is not permitted to seek donated leave from fellow state employees across other departments or agencies.

This measure would address the following:

- A life-long Department of Health employee may have an established relationship with a fellow-state employee who works in the Department of the Attorney General. Over the years these state employees are more than respectful colleagues, they have become caring friends. However, if one of those employees should become seriously ill or injured, the other is prohibited from helping with donated vacation leave. This is simply not representative of the Aloha we share as state employees with our larger state employee Ohana.
- In the Capitol alone, there are 5 different departments/budgets that interface every day. If he/she ever needed the support, the Governor's, LG's, PSD Sheriff's, or Legislative staff could not assist the DAGS Janitor who has dutifully cleared out office trash for decades.
- State employees who work in a comparatively small department to that of the State's much larger departments are at an extreme disadvantage simply because the smaller number of staff presents



limitations to the pool of potentially available donated leave. This is not fair.

- Currently, when an employee is seriously sick or injured and in need of donated leave, a common practice across departments is a department-wide e-mail blast soliciting donations. While this is an understandable means to garner donations, it may impact employee's desire for personal privacy during a difficult time. A broader pool may allow the employee to more comfortably seek support from close colleagues he or she work more directly with.
- When a state employee transfers from one state department to another, the employee's sick and vacation time transfers, as well. This suggests that there is a potential mechanism for departments to manage cross-department donated leave within their budgets. Alternatively, in the era of Go Funds accounts, perhaps an innovative solution could be considered and developed.

Finally, determining the cost differential impact of different levels employees should not hinder the passage of this measure. Indeed, if there were a substantial loss realized, state departments would likely not maintain their current internal shared-leave programs. In fact, there may be overall state budget cost-savings to establishing a shared-leave program across all departments as employees opt to donate accumulated leave that might otherwise be paid out in retirement.

Thank you for considering this measure.

Aloha,  
Malia Espinda