
A BILL FOR AN ACT

RELATING TO SERVICES PERFORMED BY CIVIL SERVICE EMPLOYEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that in 1997, the Hawaii
2 supreme court ruled in *Konno v. County of Hawaii* that Hawaii
3 county violated civil service laws and merit principles when it
4 hired private contractors to perform landfill operations work.
5 The court ruled that state civil service laws allowed only civil
6 service employees to perform work historically and customarily
7 done by civil service employees.

8 In response to *Konno*, part II of Act 90, Session Laws of
9 Hawaii 2001 (Act 90), allowed the State to contract for services
10 historically and customarily performed by civil service
11 employees if equivalent or better services could be provided at
12 lower cost. However, part II of Act 90 was repealed on June 30,
13 2007.

14 After part II of Act 90 was repealed, the United Public
15 Workers filed class grievances as well as lawsuits in circuit
16 court arguing that the State and the counties should cease the
17 practice of contracting for services historically and



1 customarily performed by civil service employees. Over time,
2 the counties reached settlements with the United Public Workers,
3 leaving only the claims against the State.

4 Through court-ordered mediation, an agreement was reached
5 between the United Public Workers and the state executive branch
6 relating to services historically and customarily performed by
7 civil service employees as it relates to the United Public
8 Workers. This agreement reflected the State's commitment to
9 comply with the supreme court's ruling in *Konno*, while
10 concurrently recognizing the State's duty to provide services to
11 the public.

12 Without a sufficient number of civil service positions and
13 employees to perform services historically and customarily
14 performed by United Public Workers-type employees, state
15 agencies have had to resort to contracting for these services.
16 To address this situation and enable state agencies to comply
17 with the *Konno* ruling, it is estimated that the State will need
18 an additional 598 permanent positions and approximately
19 \$75,571,516 for positions and associated equipment in general
20 and non-general funds to provide necessary services to the



1 public through civil service employees rather than through
2 contractors.

3 In an effort to facilitate the provision of refuse
4 collection for the Hawaii public housing authority, and to
5 fulfill operational needs with regard to work historically and
6 customarily performed by civil service personnel, permanent
7 full-time positions are requested for the Hawaii public housing
8 authority for refuse collection.

9 The purpose of this Act is to:

- 10 (1) Appropriate funds for the establishment of permanent
11 full-time civil service positions and equipment for
12 the Hawaii public housing authority in connection with
13 refuse collection; and
- 14 (2) Require the department of human resources development
15 to develop a multi-year strategic plan to transition
16 contracted positions that are historically and
17 customarily performed by civil service employees to
18 civil service positions in order to comply with the
19 *Konno* decision.

20 SECTION 2. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so



1 much thereof as may be necessary for fiscal year 2018-2019 for
2 the following twenty-seven full-time equivalent (27.0 FTE)
3 positions for the Hawaii public housing authority in connection
4 with refuse collection:

5 (1) \$ for fifteen full-time equivalent (15.0
6 FTE) heavy truck driver positions;

7 (2) \$ for four full-time equivalent (4.0 FTE)
8 refuse collector positions;

9 (3) \$ for seven full-time equivalent (7.0 FTE)
10 truck driver/laborer positions; and

11 (4) \$ for one full-time equivalent (1.0 FTE)
12 welder position.

13 The sum appropriated shall be expended by the Hawaii public
14 housing authority for the purposes of this Act.

15 SECTION 3. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so
17 much thereof as may be necessary for fiscal year 2018-2019 for
18 the following to be used by the Hawaii public housing authority
19 in connection with refuse collection:

20 (1) \$ for eight hundred fifteen refuse
21 collection bins;



- 1 (2) \$ for nineteen refuse collection front
2 loader trucks;
3 (3) \$ for eight scout trucks; and
4 (4) \$ for welding equipment.

5 The sum appropriated shall be expended by the Hawaii public
6 housing authority for the purposes of this Act.

7 SECTION 4. (a) The department of human resources
8 development shall develop a multi-year strategic plan to
9 transition contracted positions that are historically and
10 customarily performed by civil service employees to civil
11 service positions in order to comply with the decision under
12 *Konno v. County of Hawaii*.

13 (b) The multi-year strategic plan shall include but not be
14 limited to:

- 15 (1) A strategic plan that details the phases over multiple
16 years to transition contracted positions that are
17 historically and customarily performed by civil
18 service employees to civil service positions and the
19 costs associated with the transition, including:

- 20 (A) The total number of all contracted positions in
21 the State historically and customarily performed



1 by civil service employees and a listing that
2 identifies the position title, and number of
3 positions at each position title;

4 (B) The total approximate cost needed to fund these
5 positions and associated equipment; and

6 (C) Methods of transitioning these contracted
7 positions into civil service positions and
8 funding mechanisms for the transition;

9 (2) Of the identified additional 598 contracted positions
10 historically and customarily performed by United
11 Public Workers-type employees and approximately
12 \$75,500,000 needed to fund these positions and
13 associated equipment, a listing that identifies the
14 position title, number of positions at each position
15 title, and cost to fund each position title;

16 (3) Any other associated costs in transitioning contracted
17 positions that are historically and customarily
18 performed by civil service employees to civil service
19 positions in order to comply with the decision under
20 Konno and sources of funding to cover these costs; and



1 (4) Any other potential areas that the department of human
2 resources development deems necessary.

3 (c) The department of human resources development shall
4 submit a report of its findings and recommendations, including
5 any proposed legislation, to the legislature no later than
6 twenty days prior to the convening of the regular session of
7 2019.

8 SECTION 5. This Act shall take effect on July 1, 2018;
9 provided that the Hawaii public housing authority shall hire all
10 positions funded under section 2 and purchase all equipment
11 funded under section 3 by July 1, 2020.



Report Title:

Civil Service; Establish Positions; Hawaii Public Housing Authority; Department of Human Resources Development; Appropriation

Description:

Appropriates funds for permanent civil service positions and equipment for the Hawaii Public Housing Authority to provide services historically and customarily performed by civil service employees in connection with refuse collection. Requires the department of human resources development to develop a multi-year strategic plan to transition contracted positions that are historically and customarily performed by civil service employees to civil service positions in order to comply with the decision under *Konno v. County of Hawaii*. (SD1)

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