

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



KEITH A. REGAN  
COMPTROLLER  
KA LUNA HO'OMALU HANA LAULĀ  
  
MEOH-LENG SILLIMAN  
DEPUTY COMPTROLLER  
KA HOPE LUNA HO'OMALU HANA LAULĀ

**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ**  
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY  
OF  
KEITH A. REGAN, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE COMMITTEE ON

**LABOR & GOVERNMENT OPERATIONS**

FEBRUARY 2, 2024, 9:30 A.M.  
CONFERENCE ROOM 309 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 2069

RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee, thank you for the opportunity to testify on H.B. 2069.

The Department of Accounting and General Services (DAGS) **supports** H.B. 2069 which permits DAGS to employ persons exempt from civil service and collective bargaining. As a central support agency that provides services to agencies and departments statewide, many of our programs are essential to keeping government functioning. The department is often tasked with critical enterprise-level projects that necessitate the expedient hiring of uniquely-skilled and specialized staff needed to meet the required timeline, objectives, and outcomes of these projects. Having the capability to expedite the filling of vacancies for these unique and specialized positions with highly skilled personnel will create the right conditions for the department to be more

responsive to the growing needs of government. Additionally, we have found that the types of positions required to support the execution of specialized projects do not exist in the current civil service system. The amount of time to create and price a new class based on a unique need would be lengthy, consume already limited resources, and would lead to qualified candidates finding employment elsewhere. The alternative would be a long-term reliance on vendor staff support which can be costly and lacks the resiliency of an internally well-equipped and trained team that can provide the needed unique services.

Providing DAGS the capability to recruit and retain employees exempt from civil service and collective bargaining would place another tool in our toolbox and allow us the ability to effectively respond to the new and growing needs of those we serve while also increasing our long-term capabilities to effectively carry out the many critical state functions assigned to our department.

DAGS requests the following amendment to correct a possible error in the proposed language in Section 1. (b)(9) "Have the discretion to employ persons for certain positions that shall be exempt from chapters 76 and 89; provided that such persons shall be members of the state employees' retirement system and shall be eligible to receive the benefits of any state employee benefit program applicable to officers and employees of the State;"

Thank you for the opportunity to testify on this matter.



## UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**HOUSE OF REPRESENTATIVES  
THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2024**

**COMMITTEE ON LABOR & GOVERNMENT OPERATIONS**

Rep. Scot Z. Matayoshi, Chair  
Rep. Andrew Takuya Garrett, Vice Chair

Friday, February 2, 2024, 9:30 AM  
Conference Room 309 & Videoconference

**Re: Testimony on HB2069 – RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW **strongly opposes** HB2069, which permits DAGS to employ persons exempt from civil service and collective bargaining.

Quite simply, public workers are underpaid, overworked, and continually being financially burdened with regressive benefit plan contributions and static retirement benefits. Exempting state employees from Chapters 76 and 89, Hawaii Revised Statutes, and stripping them of the working rights they would be afforded without this legislation does not make DAGS more competitive in recruiting and retaining qualified candidates that are being hired by the private and federal sectors.

Mahalo for the opportunity to testify on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kalani Werner", is written over a light blue horizontal line.

Kalani Werner  
State Director

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**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

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

The Thirty-Second Legislature, State of Hawaii  
The House of Representatives  
Committee on Labor & Government Operations

Testimony by  
Hawaii Government Employees Association

February 2, 2024

H.B. 2069 – RELATING TO THE DEPARTMENT OF  
ACCOUNTING AND GENERAL SERVICES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly opposes H.B. 2069, which broadly exempts the Department of Accounting and General Services (DAGS) employees from civil service and collective bargaining.

Granting the DAGS Comptroller blanket authority to hire employees exempt from Hawaii Revised Statute Chapter 76 and 89, goes against the merit principles. Instead of exempting employees from civil service and collective bargaining, the civil service system must become more flexible, attractive and competitive. Creating exempt positions is a 'band aid' fix to address the underlying recruitment and retention issue in state government.

The State of Hawaii and DAGS need to invest in its current and future workforce, increase the position pay, offer modern and attractive incentives to recruit and retain employees. Repricing DAGS employees would raise pay, create a more competitive salary, and help the department recruit and retain employees.

Thank you for the opportunity to testify and to strongly oppose H.B. 2069.

Respectfully submitted,

Randy Perreira  
Executive Director