



STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
'OIHANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAII
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, February 28, 2023

10:00 AM

Conference Room 211

**By Stacey A. Aldrich
State Librarian**

S.B. 1141 S.D.1 RELATING TO WORKERS' COMPENSATION

To: Sen. Donovan M. Dela Cruz, Chair
Sen. Gilbert S.C. Keith-Agaran, Vice Chair
Members of the Senate Committee on Ways and Means

The Hawaii State Public Library System (HSPLS) **supports** S.B.1141 S.D.1 relating to workers' compensation, clarifying that the rights, powers, functions, duties, and resources relating to workers' compensation matters for the Hawaii State Public Library System and its employees are transferred to the Department of Human Resources Development (DHRD). This measure also establishes one full-time equivalent (1.0 FTE) position within DHRD for the management and administration of workers' compensation for the HSPLS and its employees, and funds for workers' compensation costs for HSPLS and its employees.

Act 51, Session Laws of Hawaii 2004, and Act 61, Session Laws of Hawaii 2012 (Act 61), attempted to clarify that control over HSPLS personnel matters was transferred to the Department of Human Resources Development (DHRD). Specific to workers' compensation matters, there continues to be ambiguity regarding whether DHRD is responsible for workers' compensation matters for HSPLS employees.

Although Act 61, attempted to transfer oversight of the HSPLS workers compensation matters to DHRD, DHRD did not receive any staff support or funding to pay for HSPLS-related workers' compensation matters. As a result, since 2012, HSPLS has annually contracted with DHRD via Memorandum of Agreement for workers' compensation-related support for the HSPLS and its employees. As an unbudgeted item, HSPLS pays DHRD for administrative support through

vacancy savings; workers' compensation claims and payments are paid out of the HSPLS budget.

Adoption of S.B. 1141 S.D.1 would ensure that DHRD has a permanent staff position and sufficient funding to assist with HSPLS workers' compensation matters. If the HSPLS budget for workers' compensation claims and payments is transferred to DHRD, we respectfully ask that approximately \$50,000 remain with HSPLS to address workers' compensation claims for employees that are currently processed through the State payroll system. We believe that HSPLS will continue to process these payments for current employees.

Thank you for the opportunity to provide testimony on S.B. 1141 S.D.1.