



## UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**THE SENATE  
KA 'AHA KENEKOA  
THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2024**

**COMMITTEE ON GOVERNMENT OPERATIONS**

Senator Angus L.K. McKelvey, Chair  
Senator Mike Gabbard, Vice Chair

**COMMITTEE ON LABOR AND TECHNOLOGY**

Senator Henry J.C. Aquino, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

Thursday, February 15, 2024, 3:10 PM  
Conference Room 225 & Videoconference

**Re: Testimony on SB2829 – RELATING TO EXEMPT POSITIONS**

Chairs McKelvey and Aquino, Vice Chairs Gabbard and Moriwaki, 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** SB2829, which allows the Department of Accounting and General Services (“DAGS”) to employ persons exempt from chapters 76 and 89, Hawaii Revised Statutes.

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 that reads 'Kalani Werner'. The signature is fluid and cursive, 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 Senate  
Committee on Government Operations  
Committee on Labor and Technology

Testimony by  
Hawaii Government Employees Association

February 15, 2024

### S.B. 2829 – RELATING TO EXEMPT POSITIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes S.B. 2829, 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 Statutes (HRS) Chapters 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.

Our understanding is that DAGS intends to exempt, from HRS Chapters 76 and 89, positions within the Comptroller's Office as part of the State's Information Technology modernization efforts. This intent could be incorporated by amending with the following language:

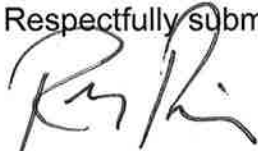
**Section 1.B.12 - "Have the discretion to employ persons *within the Comptroller's Office* that shall be exempt from chapters 76 and 89 in support of communications, change management, and business process improvement programs as part of the State's IT modernization efforts; provided that such persons 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;"*

Should this committee move forward with incorporating such amendments, then we have no objections.

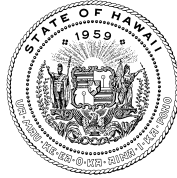
Thank you for the opportunity to testify and to oppose S.B. 2829 in its current form.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Randy Perreira', written over the typed name.

Randy Perreira  
Executive Director

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



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 COMMITTEES ON  
  
**GOVERNMENT OPERATIONS  
LABOR AND TECHNOLOGY**

FEBRUARY 15, 2024, 3:10 P.M.  
CONFERENCE ROOM 225 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 2829

RELATING TO EXEMPT POSITIONS

Chairs McKelvey and Aquino, Vice Chairs Gabbard and Moriwaki, and Members of the Committees, thank you for the opportunity to testify on S.B. 2829.

The Department of Accounting and General Services (DAGS) **supports** S.B. 2829 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 within the Comptroller's Office 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 engaged the Hawai'i Government Employees Association (HGEA) and, based on our collaborative discussions, requests the committees consider the following amendment to the language in Section 1. (b)(12) "Have the discretion to employ persons within the Comptroller's Office that shall be exempt from chapters 76 and 89 in support of communications, change management, and business process improvement programs as part of the State's IT modernization efforts; 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; and"

We sincerely appreciate your consideration of the amended language and we are grateful for the opportunity to testify on this matter.