



**STATE OF HAWAII
OFFICE OF ELECTIONS**

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PEARL CITY, HAWAII 96782
elections.hawaii.gov

SCOTT T. NAGO
CHIEF ELECTION OFFICER

TESTIMONY OF THE
CHIEF ELECTION OFFICER, OFFICE OF ELECTIONS
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
AND THE SENATE COMMITTEE ON LABOR AND TECHNOLOGY
ON SENATE BILL NO. 444
RELATING TO STATE GOVERNMENT

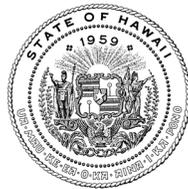
February 6, 2025

Chair McKelvey and members of the Senate Committee on Government Operations and Chair Aquino and members of the Senate Committee on Labor and Technology, thank you for the opportunity to provide comments on Senate Bill No. 444. This bill authorizes boards and commissions to make employment decisions related to its officers and employees without the approval of the head of the department to which the board or commission is administratively attached.

While the Office of Elections has no objection to the purpose of the bill, it does have concerns that the language relating to the Office of Elections' authority regarding personnel matters is removed by this bill.

Section 1 of the bill removes the reference in HRS § 11-1.55 which permits the Office of Elections to make all decisions regarding employment, appointment, promotion, transfer, demotion, discharge, and job descriptions of all officers and employees of or under the jurisdiction of the Office of Elections without the approval of the Department Head. Since the Office of Elections is neither a board nor commission, our concern is that the removal of this explicit language may create ambiguity as to whether we have the authority to make these personnel decisions without the approval of a board or commission. Given this, we would ask that this language be permitted to remain in HRS § 11-1.55.

Thank you for the opportunity to provide comments on Senate Bill No. 444.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON GOVERNMENT OPERATIONS AND
LABOR AND TECHNOLOGY
ON
SENATE BILL NO. 444

February 6, 2025
3:05 p.m.
Room 225 and Videoconference

RELATING TO STATE GOVERNMENT

The Department of Budget and Finance (B&F) opposes this bill.

Senate Bill (S.B.) No. 444 amends Section 26-35(a)(4), HRS, by removing the requirement that employment and personnel decisions made by boards or commissions be subject to the approval of the head of the department to which the board or commission is attached for administrative purposes. S.B. No. 444 also makes conforming amendments to statutory provisions that currently exempt the board or commission, as applicable, of the Office of Elections, Elections Commission, Campaign Spending Commission, Hawai'i Housing Finance and Development Corporation, Land Use Commission, Hawai'i Technology Development Corporation, Transportation Management Area Metropolitan Planning Organizations, Hawai'i Health Systems Corporation, Hawai'i Health Systems Corporation Regional System Boards, Hawai'i Public Housing Authority, and Commission on Fatherhood from Section 26-35(a)(4), HRS.

B&F opposes this measure as a matter of general policy. Department heads should generally have the administrative authority to manage the employment and personnel

matters of their attached agencies. Furthermore, such decisions are critical tools to ensure that departments and their attached agencies remain fiscally prudent and stay within their approved budgets.

Thank you for your consideration of our comments.

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

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

BRIAN K. FURUTO
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON GOVERNMENT OPERATIONS
SENATE COMMITTEE ON LABOR AND TECHNOLOGY
Thursday, February 6, 2025
3:05 PM
State Capitol, Conference Room 225

In consideration of
SB 444, Relating to State Government

Chair McKelvey, Chair Aquino, and members of the Committee on Government Operations and the Committee on Labor and Technology:

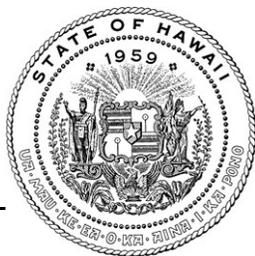
The Department of Human Resources Development (HRD) opposes SB 444 because it removes departmental oversight and may lead to inconsistency in employment decisions.

SB 444 authorizes boards and commissions to make employment decisions regarding their officers and employees without approval from the head of the department to which they are administratively attached. We respectfully oppose this measure for the following reasons:

1. **Loss of Oversight and Consistency** – This proposal would remove essential departmental oversight, which ensures fairness and alignment with established policies, procedures, and practices. Without this oversight, disparities in employment decisions may arise between departmental employees and those within attached agencies.
2. **Impact on Workforce Recruitment and Retention** – A standardized and consistent approach to employment decisions is critical for recruiting and retaining a workforce that is equitably evaluated, valued, and supported in their professional environment.
3. **Administrative Authority is Essential** – Department heads must have the authority

to manage employment and personnel actions to ensure consistency in applying departmental policies, collective bargaining agreements, employment laws, regulations, and ethical standards across all employees, including those in attached agencies.

HRD remains available to provide additional information or answer any questions as needed.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON GOVERNMENT OPERATIONS
&
SENATE COMMITTEE ON LABOR AND TECHNOLOGY

Thursday, February 6, 2025
3:05 PM
State Capitol, Conference Room 225

In consideration of
S.B. 444
RELATING TO STATE GOVERNMENT.

Chairs McKelvey and Aquino, Vice Chairs Gabbard and Lee, and members of the Committees:

The Department of Business, Economic Development, and Tourism (DBEDT) opposes SB444, which seeks to authorize boards and commissions to make employment decisions independently, without the approval of the head of the department to which they are administratively attached.

HRS §26-35 clearly outlines the framework for the relationship between boards, commissions, and their respective departments. Specifically, §26-35(a)(2) mandates that financial requirements from state funds must be submitted through the department and included in the department's budget. This ensures that budget requests are coherent, consistent with departmental priorities, and aligned with the overall strategic objectives of the State. If SB444 were to pass, it would undermine this process by

allowing boards and commissions to bypass departmental oversight, leading to potential discrepancies and inefficiencies in budgeting and resource allocation.

Furthermore, HRS §26-35(a)(1) stipulates that the head of the department represents the board or commission in communications with the governor and legislature unless explicitly requested otherwise. This provision ensures a streamlined and unified approach to legislative interactions and budget justifications. SB444 would erode this structure by permitting boards and commissions to directly engage with legislative bodies, compelling them to defend budget requests independently. This not only duplicates efforts but also creates a fragmented approach to state governance.

It is also important to note that boards and commissions do not engage in the day-to-day operations with staff and therefore lack a comprehensive understanding of position descriptions, employee performance, and how these align with the department's strategic plans. Department heads are better positioned to make informed employment decisions, having a holistic view of the department's operational needs and strategic goals.

Lastly, boards and commissions may not conduct thorough, line-by-line reviews of the complexities involved in departmental budgets. Their oversight, while valuable, is not designed to replace the detailed fiscal management and accountability processes established within departments.

For these reasons, DBEDT respectfully urges the Committee to oppose SB444 to preserve the integrity, efficiency, and cohesiveness of our State's administrative and fiscal operations.

Mahalo for the opportunity to provide testimony.



Randy Perreira
President

HAWAII STATE AFL-CIO

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The Thirty-Second Legislature
The Senate
Committee on Government Operations
Committee on Labor and Technology

Testimony by
Hawaii State AFL-CIO

February 6, 2025

TESTIMONY IN OPPOSITION OF SB444 - RELATING TO STATE GOVERNMENT

Chairs McKelvey, Aquino, Vice Chairs Gabbard, Lee, and members of the committee:

The Hawaii State AFL-CIO is a state federation of 74 affiliate labor organizations representing over 68,000 union members in Hawaii. The AFL-CIO serves its affiliates by advocating for the rights of working families, promoting fair wages, ensuring safe working conditions, and supporting policies that strengthen Hawaii's workforce.

We are in opposition to SB444, which authorizes boards and commissions to make employment decisions related to their officers and employees without approval from the head of the department to which the board or commission is administratively attached. This proposal removes an important layer of oversight that helps ensure employment decisions are made consistently and in alignment with collective bargaining agreements and the policies of the administratively attached department.

Boards and commissions play an essential role in state government, but members of these bodies may lack the experience or qualifications needed to make complex employment decisions. Without input and oversight from the departments they are attached to, these boards and commissions risk making inconsistent or improper decisions that could conflict with collective bargaining agreements or departmental policies. This would create uncertainty for employees and erode workplace trust and morale.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy Perreira".

Randy Perreira
President



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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

The Thirty-Third Legislature, State of Hawaii
The Senate
Committee on Government Operations
Committee on Labor and Technology

Testimony by
Hawaii Government Employees Association

February 6, 2025

S.B. 444 — RELATING TO STATE GOVERNMENT

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes the concept of S.B. 444, which authorizes boards and commissions to make employment decisions related to its officers and employees without the approval of the head of the department to which the board or commission is administratively attached.

The HGEA represents many administrative, clerical, and professional employees across a spectrum of boards or commissions that are administratively attached to an executive line-department that could be impacted by this measure. Boards or commissions are often comprised of a group of unpaid volunteers, that may have little knowledge in making employment decisions relating to collective bargaining agreements and civil service law. By eliminating a state department 'check' on employment decisions for employees, we have concerns that board members will now be granted with more authority to promote, transfer, demote, or discharge a line employee – which may lead to an uptick in collective bargaining agreement violations and unfair or inequitable employment decisions. This proposed change will also flag the question on who the employer will be for these employees. One of the purposes of having a line-department administrative check for these employees is to ensure that their rights and benefits, including salaries, are in alignment with and honored by these boards, just like other employees within the executive line-departments.

Thank you for the opportunity to provide testimony in opposition of S.B. 444

Respectfully submitted,


Randy Perreira
Executive Director