STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 4 2015

RE: S.B. No. 139 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 139 entitled:

"A BILL FOR AN ACT RELATING TO CIVIL SERVICE EXEMPTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require each director of a central personnel agency for a jurisdiction to review positions exempt from the requirements of chapter 76, Hawaii Revised Statutes, between June 30, 2002, and July 1, 2014, to determine whether the position should remain exempt;
- (2) Remove the requirement that a person holding an exempt position for at least one year prior to that position being replaced by a civil service position be appointed to that civil service position after meeting certain qualifications; and
- (3) Require that the Director of Human Resources Development submit to the Legislature a report of findings based on the review of exempt positions required by section 76-16(g), Hawaii Revised Statutes.

Your Committee received comments on this measure from the Office of the Auditor and Department of Human Resources Development.



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Your Committee finds that although the civil service system is intended to implement a fair system of selection for public employees, state law has also accommodated thousands of civil service exemptions. This measure is part of a continuing effort by the State to curb the use of exempt positions and better utilize the civil service system.

Your Committee has amended this measure, consistent with the commentary from the Department of Human Resources Development, by:

- (1) Extending the deadline for the Director of Human Resources Development to file the report to the Legislature to twenty days prior to the 2017 Regular Session;
- (2) Extending the repeal date of the required conversion of certain exempt positions to civil service appointments to July 1, 2017, to provide an additional year to assess the impact of the amendment to section 76-16, Hawaii Revised Statutes; and
- (3) Inserting an effective date of January 7, 2059 to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 139, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 139, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

COOL A.C. G

GILBERT S.C. KEITH-AGARAN, Chair



The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary and Labor JDL

| Bill / Resolution No.:* | Committee | Referral: | Da | ite: / | |
|--|--------------------------------|--------------|-------------------------|---------|--------------|
| SB 139 | JOL | , WAM | | 1/29/13 | 5 |
| The Committee is reconsidering its previous decision on this measure. | | | | | |
| If so, then the previous decision was to: | | | | | |
| The Recommendation is: | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | |
| Members | | Aye | Aye (WR) | Nay | Excused |
| KEITH-AGARAN, Gilbert S.C. (C) | | \checkmark | | | |
| SHIMABUKURO, Maile S.L. (VC) | | \checkmark | · · · | | |
| ESPERO, Will | | / | | | |
| GABBARD, Mike | | | | | \checkmark |
| IHARA, Jr., Les | | | | | \checkmark |
| THIELEN, Laura H. | | \checkmark | | | |
| SLOM, Sam | | \checkmark | | | |
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| TOTAL | | 5 | | | 2 |
| Recommendation: | | | | | |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original File with Committee Re | Yellow eport Clerk's Office | | Pink Drafting Agency | | |

*Only one measure per Record of Votes