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TESTIMONY OF ROBIN K. MATSUNAGA, OMBUDSMAN, ON H.B. NO. 348, A BILL FOR AN ACT MAKING APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

SENATE COMMITTEE ON WAYS AND MEANS

APRIL 4, 2019

Chair Dela Cruz and Members of the Committee on Ways and Means:

Thank you for the opportunity to present testimony in support of H.B. No. 348.

The purpose of this bill is to provide the funds necessary to cover cost items and cost adjustments for employees of the legislative agencies. Your favorable consideration of this bill will allow it to continue to be available as a vehicle throughout this legislative session, should the Legislature later determine that such cost items and adjustments are warranted, and would be appreciated.

Thank you for your consideration.



LESLIE H. KONDO State Auditor

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SENATE COMMITTEE ON WAYS AND MEANS The Honorable Donovan M. Dela Cruz, Chair The Honorable Gilbert S.C. Keith-Agaran, Vice Chair

H.B. NO. 348, MAKING APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Hearing: Thursday, April 4, 2019, 10:10 a.m.

The Office of the Auditor supports the intent of H.B. No. 348, which appropriates funds to certain legislative agencies, including the Office of the Auditor, to fund Hawai'i employer-union health benefits trust fund costs and other cost adjustments authorized by chapter 89C, Hawai'i Revised Statutes, for legislative officers and employees excluded from collective bargaining.

We strongly support the continued progress of this bill so that the option to make cost adjustments will continue to be available, should the Legislature determine that such costs items and adjustments are warranted.

Thank you for considering our testimony related to H.B. No. 348.

Charlotte A. Carter-Yamauchi Director

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LEGISLATIVE REFERENCE BUREAU State of Hawaii State Capitol, Room 446 415 S. Beretania Street Honolulu, Hawaii 96813

Written Comments in Support

HB348

MAKING APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Testimony by the Legislative Reference Bureau Charlotte A. Carter-Yamauchi, Director

Presented to the Senate Committee on Ways and Means

Thursday, April 4, 2019, 10:10 a.m. Conference Room 211

Chair Dela Cruz and Members of the Committee:

Good morning Chair Dela Cruz and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments in support of H.B. No. 348, Making Appropriations for Public Employment Cost Items.

The purpose of this bill is to appropriate funds for the public employment cost items of and cost adjustments for employees of the legislative service agencies, the Senate, and the House of Representatives.

As you know, the staff of the Legislature and the legislative service agencies are excluded from collective bargaining. The Bureau strongly supports the measure's continued progress through the legislative process so that a viable legislative vehicle will remain available should the Legislature later determine that such cost items and adjustments are warranted.

Thank you again for your consideration.

<u>HB-348</u> Submitted on: 4/2/2019 9:02:03 AM

Testimony for WAM on 4/4/2019 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
	Individual	Support	No

Comments:



HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813

Committee: Committee on Ways and Means

Bill Number: H.B. 348

Hearing Date/Time: April 4, 2019, 10:10 a.m.

Re: Testimony of the Hawai'i State Ethics Commission in **SUPPORT** of

H.B. 348, Making Appropriations for Public Employment Cost Items

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") supports H.B. 348, which appropriates funds to the Commission for personnel expenses for the fiscal biennium 2019-2021.

Act 001 of 2019 (<u>H.B.1</u>, the appropriations bill for the legislative branch) does not provide funds for any increase for Commission staff salaries in the next fiscal year. H.B. 348 would provide funds necessary to cover cost adjustments for the Commission's staff.¹

The amount of the appropriation will depend upon the percentage increase allotted to legislative branch employees (3.2% and 3.45% for each of the last two fiscal years, see Act 021 of 2017). As such, the Commission respectfully offers the following information for the Committee's consideration:

Salaries (FY 2018-2019) excluding Executive Director & Associate Director: \$697,545 Salaries (FY 2018-2019) for Executive Director & Associate Director: \$279,900

The Commission appreciates the Legislature's continuing support of the Commission's work to ensure that public officers and employees exhibit the highest standards of ethical conduct as mandated by Article XIV of Hawaii's Constitution.

¹ The Commission has submitted detailed budget information in its testimony in support of H.B. 1. Should this Committee wish to review detailed information about the Commission's budget and operations, that testimony is available here: https://www.capitol.hawaii.gov/Session2019/Testimony/HB1_TESTIMONY_WAM_02-05-19_.PDF.

² Pursuant to HRS § 84-35, the Executive Director's salary shall be the same as that of the Director of the Department of Health (whose salary, in turn, is set by the Salary Commission absent action by the Legislature). The Salary Commission has recommended an increase of 5% per year in FY2019-2020 and FY2020-2021 for Tier 2 Department Directors and Deputy Department Directors. As such, the Commission respectfully requests that H.B. 348 include funding for those increases, along with cost of living increases (i.e., whatever percentage is set by the Legislature) as to the remaining \$697,545 for all other staff.

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Thank you for your continuing support of the Commission's work.

Very truly yours,

Daniel Gluck Executive Director and General Counsel