

STAND. COM. REP. NO.

481

Honolulu, Hawaii

FEB 12 , 2025

RE: H.B. No. 159
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 159
entitled:

"A BILL FOR AN ACT RELATING TO QUALIFIED COMMUNITY
REHABILITATION PROGRAMS,"

begs leave to report as follows:

The purpose of this measure is to clarify that the civil
service exemption for personal service contracts with qualified
community rehabilitation programs for certain maintenance services
shall not cost more than \$850,000 in the aggregate per private
person or entity.

Your Committee received testimony in support of this measure
from the Hawaii Government Employees Association, AFSCME Local
152, AFL-CIO; Hawaii State AFL-CIO; and United Public Workers,
AFSCME Local 646, AFL-CIO. Your Committee received comments on
this measure from the Office of the Mayor of the County of Maui.

Your Committee finds that the State and counties regularly
outsource service jobs to private entities for certain maintenance
services that would otherwise be fulfilled by government
employees. Your Committee also finds that these lucrative private
contracts entice employees to seek positions with certain private
employers which contributes to the high position vacancy rates
that the State and counties are faced with. Your Committee

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believes that this measure strikes a balance between preventing over-privitization and allowing qualified community rehabilitation programs to provide meaningful employment opportunities to individuals for disabled workers.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 159, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 159, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor,



JACKSON D. SAYAMA, Chair



