

STAND. COM. REP. NO. 2542

Honolulu, Hawaii

FEB 20 2026

RE: S.B. No. 3069
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Labor and Technology and Government Operations, to which was referred S.B. No. 3069 entitled:

"A BILL FOR AN ACT RELATING TO CIVIL SERVICE EXEMPT POSITIONS WITHIN THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES,"

beg leave to report as follows:

The purpose and intent of this measure is to permanently exempt from the State's civil service and collective bargaining laws the following positions within the Department of Accounting and General Services:

- (1) All positions filled by the Public Works Division's Special Project Branch; and
- (2) All positions within the Comptroller's Office hired to support communications, change management, and business process improvement programs as part of the State's information technology modernization efforts.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Stadium Authority; and Hawaii Community Development Authority.



Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committees find that the Department of Accounting and General Services manages over four hundred projects with an estimated value of more than \$1 billion, and that certain complex and challenging projects, including the New Aloha Stadium Entertainment District project and relocation of the Oahu Community Correctional Center, require specialized technical and project delivery services that have traditionally been outsourced to external consultants. Your Committees also find that the State faces a limited pool of highly specialized, private-sector competitive project delivery talent that does not align with traditional civil service career paths, making it difficult to recruit and retain qualified individuals under existing civil service recruitment timelines and classification structures. This measure will help bring these skillsets in-house, reduce reliance on external consultants, lower project costs, and improve project governance and accountability.

Your Committees have amended this measure by:

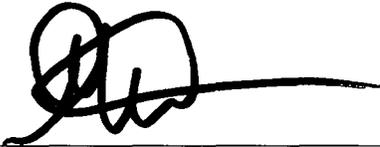
- (1) Requiring the Department of Accounting and General Services to submit a report to the legislature no later than twenty days prior to the convening of the regular sessions of 2027, 2028, 2029, 2030, and 2031, on:
 - (A) The number and titles of the positions established and filled pursuant to:
 - (i) Sections 26-6(b)(9) and 76-16(b)(45), Hawaii Revised Statutes; and
 - (ii) Sections 26-6(b)(10) and 76-16(b)(44), Hawaii Revised Statutes; and
 - (B) Projects on which these employees are actively working;
- (2) Inserting an effective date of January 1, 2077, to encourage further discussion;



- (3) Inserting a sunset date of December 31, 2031; and
- (4) Making technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3069, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3069, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Labor and
Technology and Government
Operations,



ANGUS L.K. MCKELVEY, Chair



BRANDON J.C. BLUFANTE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3069	LBT/GVO, WAM	2.11.26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ELEFANTE, Brandon J.C. (C)	✓			
LAMOSAO, Rachele (VC)	✓			
IHARA, Jr., Les				✓
MORIWAKI, Sharon Y.	✓			
FEVELLA, Kurt			✓	
TOTAL	3		1	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Committee	Drafting Agency		

*Only one measure per Record of Votes

