

STAND. COM. REP. NO. 505

Honolulu, Hawaii  
Feb 16, 2007

RE: H.B. No. 1082  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1082 entitled:

"A BILL FOR AN ACT RELATING TO BOARDS OF WATER SUPPLY,"

begs leave to report as follows:

The purpose of this bill is to repeal the authorization given to certain county boards of water supply to conduct an experimental human resources modernization project (EMP) without the approval of the county's mayor.

Two individuals testified in support of this bill. The Honolulu Board of Water Supply (BWS), United Public Workers, Hawaii Government Employees Association, and an individual testified in opposition to this measure.

Act 40, Session Laws of Hawaii 2003 (Act 40), enabled a board of water supply that served at least 500,000 persons to transform itself into a more efficient provider of water services. As agencies with a certain amount of autonomy and which have their own stable source of revenue, it was believed that county boards of water supply were in an excellent position to conduct an EMP.

However, your Committee notes that questions have been raised regarding the efficiency and management of the EMPs being conducted by BWS. Moreover, a recent report by the City Auditor was highly critical of BWS operations, including the management of EMPs authorized under Act 40. While your Committee finds that

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EMPs offer agencies a means to become more efficient, concerns regarding issues raised by the City Auditor warrant further discussion.

Accordingly, your Committee has amended this measure by:

- (1) Inserting a provision repealing the authority to establish EMPs on July 1, 2008 to allow for further review of EMPs;
- (2) Changing its effective date to July 1, 2059, to facilitate further discussion;
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1082, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1082, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



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ALEX M. SONSON, Chair



