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# A BILL FOR AN ACT

RELATING TO EXEMPTIONS FROM CIVIL SERVICE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The department of human services has one of the  
2 largest operating budgets of any state department and a staff of  
3 more than 2,400 employees deployed state wide. To effectively  
4 lead and manage the department's programs and improve service  
5 delivery, the department requires a well-experienced and  
6 knowledgeable leadership team.

7           The department serves one in four Hawaii residents through  
8 programs and services that include: protection of vulnerable  
9 children and adults; vocational rehabilitation and financial  
10 assistance to the disabled individuals; the Supplemental  
11 Nutrition Assistance Program; financial assistance; job training  
12 and placement; housing and support services for individuals and  
13 families experiencing homelessness; medicaid services for the  
14 State's low income population; and prevention, treatment, and  
15 housing and services for the State's youthful offenders and  
16 other young adults at risk for homelessness, chronic



1 unemployment, and vulnerable to becoming victims of labor or sex  
2 trafficking.

3       Each program is governed by complex state and federal laws,  
4 rules, and regulations. To improve the efficiency and  
5 accessibility to these services statewide, the federal and state  
6 governments have made significant investments to transform the  
7 department's information technology systems from a thirty plus  
8 year old siloed legacy system to an integrated enterprise  
9 system. Once completed, the department of human services  
10 enterprise system will be capable of determining eligibility of  
11 multiple programs, improve timely service delivery, and provide  
12 greater program and fiscal oversight.

13       To capitalize on investments made to the medicaid  
14 eligibility system, known as KOLEA, and enable complex analytics  
15 of public health insurance medical claims through the all-payer  
16 claims data warehouse, in 2018, the legislature established the  
17 department's health analytics program in the med-QUEST division.  
18 That program will begin to provide analysis of state-funded  
19 medical insurance claims that will assist policy makers and  
20 program administrators to make necessary adjustments to the  
21 coverage of health care in Hawaii.



1           Improving the department's information technology systems  
2 likewise necessitates robust investment in department  
3 administrators who have the expertise in design and maintenance  
4 of information technology systems, the establishment of security  
5 programs to ensure the department has sufficient security  
6 protocols and processes, and investing in a workforce that is  
7 trained to recognize and respond to potential system breaches  
8 and or attempted hacks.

9           The effective management and transformation of the  
10 department into an integrated service delivery system requires  
11 department management to lead internal changes and to engage in  
12 collaborative efforts with other state and federal agencies,  
13 legislative bodies, and other external and community partners.  
14 Expertise, experience, foresight, and continuity in leadership  
15 are necessary to drive departmental changes to address  
16 conditions that give rise to poverty and other public welfare  
17 problems.

18           The department is challenged in attracting and retaining  
19 professionals with necessary qualifications to assume the  
20 leadership and oversee personnel matters, fiscal and budget  
21 issues, information technology development, and operational



1 matters related to quality control, program oversight, and  
2 reporting.

3       Specific issues regarding homelessness in Hawaii also need  
4 dedicated and predictable leadership resources. Homelessness in  
5 Hawaii is a major social and economic issue that impacts  
6 individuals and families, residents and visitors, and businesses  
7 and communities. There are multiple causes of homelessness and  
8 an effective, coordinated response to homelessness requires a  
9 focused, strategic effort by the governor's coordinator on  
10 homelessness who has the expertise, ability, authority, and  
11 credentials to work with all stakeholders.

12       The legislature passed Act 79, Session Laws of Hawaii 2016  
13 (Act 79), that exempted from the civil service requirements of  
14 chapter 76, Hawaii Revised Statutes, for a period of three  
15 calendar years commencing on the effective date of Act 79, the  
16 following positions in the Med-QUEST division of the department  
17 of human services: the division administrator, finance officer,  
18 health care services branch administrator, medical director, and  
19 clinical standards administrator. The department seeks to  
20 permanently exempt these positions from civil service.



1 To provide oversight on continued development of the  
 2 department's enterprise system and address increased security  
 3 needs of the information technology infrastructure and program  
 4 integrity, the department seeks to permanently exempt from civil  
 5 services the following positions in the director's office:  
 6 enterprise officer, information security and compliance officer,  
 7 security and privacy compliance engineer, and the security and  
 8 privacy compliance analyst, to support the overall security of  
 9 the department's enterprise system.

10 Act 79 also temporarily exempted a research/health  
 11 analytics manager in the med-QUEST division, and the  
 12 community/project development director and policy director in  
 13 the director's office. The department seeks to continue the  
 14 temporary exemptions of these positions for three additional  
 15 years. Additionally, the department seeks a similar temporary  
 16 exemption of the special assistant to the director.

17 The purpose of this Act is to permanently exempt from  
 18 provisions of the civil services the following: the governor's  
 19 coordinator on homelessness, five positions at the Med-QUEST  
 20 division and four positions in the office of the director of the  
 21 department of human services. Further, the department seeks to



1 temporarily exempt from civil service the research/health  
2 analytics manager in the med-QUEST division, and the  
3 community/project development director, policy director, and  
4 special assistant to the director in the director's office.

5 SECTION 2. Chapter 346, Hawaii Revised Statutes, is  
6 amended by adding to part XVIII a new section to be  
7 appropriately designated and to read as follows:

8 "§346- Governor's coordinator on homelessness. The  
9 governor shall appoint the governor's coordinator on  
10 homelessness for the proper administration and enforcement of  
11 this chapter without regard to chapter 76."

12 SECTION 3. Section 76-16, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14 "(b) The civil service to which this chapter applies shall  
15 comprise all positions in the State now existing or hereafter  
16 established and embrace all personal services performed for the  
17 State, except the following:

- 18 (1) Commissioned and enlisted personnel of the Hawaii  
19 National Guard as such, and positions in the Hawaii  
20 National Guard that are required by state or federal  
21 laws or regulations or orders of the National Guard to



- 1           be filled from those commissioned or enlisted  
2           personnel;
- 3           (2) Positions filled by persons employed by contract where  
4           the director of human resources development has  
5           certified that the service is special or unique or is  
6           essential to the public interest and that, because of  
7           circumstances surrounding its fulfillment, personnel  
8           to perform the service cannot be obtained through  
9           normal civil service recruitment procedures. Any such  
10          contract may be for any period not exceeding one year;
- 11          (3) Positions that must be filled without delay to comply  
12          with a court order or decree if the director  
13          determines that recruitment through normal recruitment  
14          civil service procedures would result in delay or  
15          noncompliance, such as the Felix-Cayetano consent  
16          decree;
- 17          (4) Positions filled by the legislature or by either house  
18          or any committee thereof;
- 19          (5) Employees in the office of the governor and office of  
20          the lieutenant governor, and household employees at  
21          Washington Place;



- 1 (6) Positions filled by popular vote;
- 2 (7) Department heads, officers, and members of any board,  
3 commission, or other state agency whose appointments  
4 are made by the governor or are required by law to be  
5 confirmed by the senate;
- 6 (8) Judges, referees, receivers, masters, jurors, notaries  
7 public, land court examiners, court commissioners, and  
8 attorneys appointed by a state court for a special  
9 temporary service;
- 10 (9) One bailiff for the chief justice of the supreme court  
11 who shall have the powers and duties of a court  
12 officer and bailiff under section 606-14; one  
13 secretary or clerk for each justice of the supreme  
14 court, each judge of the intermediate appellate court,  
15 and each judge of the circuit court; one secretary for  
16 the judicial council; one deputy administrative  
17 director of the courts; three law clerks for the chief  
18 justice of the supreme court, two law clerks for each  
19 associate justice of the supreme court and each judge  
20 of the intermediate appellate court, one law clerk for  
21 each judge of the circuit court, two additional law





1 clerks for the civil administrative judge of the  
2 circuit court of the first circuit, two additional law  
3 clerks for the criminal administrative judge of the  
4 circuit court of the first circuit, one additional law  
5 clerk for the senior judge of the family court of the  
6 first circuit, two additional law clerks for the civil  
7 motions judge of the circuit court of the first  
8 circuit, two additional law clerks for the criminal  
9 motions judge of the circuit court of the first  
10 circuit, and two law clerks for the administrative  
11 judge of the district court of the first circuit; and  
12 one private secretary for the administrative director  
13 of the courts, the deputy administrative director of  
14 the courts, each department head, each deputy or first  
15 assistant, and each additional deputy, or assistant  
16 deputy, or assistant defined in paragraph (16);  
17 (10) First deputy and deputy attorneys general, the  
18 administrative services manager of the department of  
19 the attorney general, one secretary for the  
20 administrative services manager, an administrator and  
21 any support staff for the criminal and juvenile



1 justice resources coordination functions, and law  
2 clerks;

3 (11) (A) Teachers, principals, vice-principals, complex  
4 area superintendents, deputy and assistant  
5 superintendents, other certificated personnel,  
6 not more than twenty noncertificated  
7 administrative, professional, and technical  
8 personnel not engaged in instructional work;

9 (B) Effective July 1, 2003, teaching assistants,  
10 educational assistants, bilingual/bicultural  
11 school-home assistants, school psychologists,  
12 psychological examiners, speech pathologists,  
13 athletic health care trainers, alternative school  
14 work study assistants, alternative school  
15 educational/supportive services specialists,  
16 alternative school project coordinators, and  
17 communications aides in the department of  
18 education;

19 (C) The special assistant to the state librarian and  
20 one secretary for the special assistant to the  
21 state librarian; and



1 (D) Members of the faculty of the University of  
2 Hawaii, including research workers, extension  
3 agents, personnel engaged in instructional work,  
4 and administrative, professional, and technical  
5 personnel of the university;

6 (12) Employees engaged in special, research, or  
7 demonstration projects approved by the governor;

8 (13) (A) Positions filled by inmates, patients of state  
9 institutions, persons with severe physical or  
10 mental disabilities participating in the work  
11 experience training programs;

12 (B) Positions filled with students in accordance with  
13 guidelines for established state employment  
14 programs; and

15 (C) Positions that provide work experience training  
16 or temporary public service employment that are  
17 filled by persons entering the workforce or  
18 persons transitioning into other careers under  
19 programs such as the federal Workforce Investment  
20 Act of 1998, as amended, or the Senior Community  
21 Service Employment Program of the Employment and



1 Training Administration of the United States  
2 Department of Labor, or under other similar state  
3 programs;

4 (14) A custodian or guide at Iolani Palace, the Royal  
5 Mausoleum, and Hulihee Palace;

6 (15) Positions filled by persons employed on a fee,  
7 contract, or piecework basis, who may lawfully perform  
8 their duties concurrently with their private business  
9 or profession or other private employment and whose  
10 duties require only a portion of their time, if it is  
11 impracticable to ascertain or anticipate the portion  
12 of time to be devoted to the service of the State;

13 (16) Positions of first deputies or first assistants of  
14 each department head appointed under or in the manner  
15 provided in section 6, article V, of the Hawaii State  
16 Constitution; three additional deputies or assistants  
17 either in charge of the highways, harbors, and  
18 airports divisions or other functions within the  
19 department of transportation as may be assigned by the  
20 director of transportation, with the approval of the  
21 governor; four additional deputies in the department



- 1 of health, each in charge of one of the following:  
2 behavioral health, environmental health, hospitals,  
3 and health resources administration, including other  
4 functions within the department as may be assigned by  
5 the director of health, with the approval of the  
6 governor; an administrative assistant to the state  
7 librarian; and an administrative assistant to the  
8 superintendent of education;
- 9 (17) Positions specifically exempted from this part by any  
10 other law; provided that:
- 11 (A) Any exemption created after July 1, 2014, shall  
12 expire three years after its enactment unless  
13 affirmatively extended by an act of the  
14 legislature; and
- 15 (B) All of the positions defined by paragraph (9)  
16 shall be included in the position classification  
17 plan;
- 18 (18) Positions in the state foster grandparent program and  
19 positions for temporary employment of senior citizens  
20 in occupations in which there is a severe personnel  
21 shortage or in special projects;



- 1       (19) Household employees at the official residence of the  
2             president of the University of Hawaii;
- 3       (20) Employees in the department of education engaged in  
4             the supervision of students during meal periods in the  
5             distribution, collection, and counting of meal  
6             tickets, and in the cleaning of classrooms after  
7             school hours on a less than half-time basis;
- 8       (21) Employees hired under the tenant hire program of the  
9             Hawaii public housing authority; provided that not  
10            more than twenty-six per cent of the authority's  
11            workforce in any housing project maintained or  
12            operated by the authority shall be hired under the  
13            tenant hire program;
- 14       (22) Positions of the federally funded expanded food and  
15             nutrition program of the University of Hawaii that  
16             require the hiring of nutrition program assistants who  
17             live in the areas they serve;
- 18       (23) Positions filled by persons with severe disabilities  
19             who are certified by the state vocational  
20             rehabilitation office that they are able to perform  
21             safely the duties of the positions;



- 1       (24) The sheriff;
- 2       (25) A gender and other fairness coordinator hired by the
- 3                judiciary;
- 4       (26) Positions in the Hawaii National Guard youth and adult
- 5                education programs;
- 6       (27) In the state energy office in the department of
- 7                business, economic development, and tourism, all
- 8                energy program managers, energy program specialists,
- 9                energy program assistants, and energy analysts; [~~and~~]
- 10       (28) Administrative appeals hearing officers in the
- 11               department of human services [-];
- 12       (29) In the Med-QUEST division of the department of human
- 13               services, the division administrator, finance officer,
- 14               health care services branch administrator, medical
- 15               director, and clinical standards administrator; and
- 16       (30) In the director's office of the department of human
- 17               services, the enterprise officer, information security
- 18               and privacy compliance officer, security and privacy
- 19               compliance engineer, and security and privacy
- 20               compliance analyst.



1 The director shall determine the applicability of this  
2 section to specific positions.

3 Nothing in this section shall be deemed to affect the civil  
4 service status of any incumbent as it existed on July 1, 1955."

5 SECTION 4. Notwithstanding any other law to the contrary,  
6 including section 76-16(b)(17), Hawaii Revised Statutes, and  
7 unless affirmatively extended by an act of the legislature, for  
8 a period of three calendar years commencing on the effective  
9 date of this Act, the following positions shall be exempt from  
10 the civil service requirements of chapter 76, Hawaii Revised  
11 Statutes:

12 (1) In the Med-QUEST division of the department of human  
13 services, the research/health analytics manager; and

14 (2) In the director's office of the department of human  
15 services, the community/project development director,  
16 policy director, and the special assistant to the  
17 director.

18 SECTION 5. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20 SECTION 6. This Act shall take effect on January 1, 2059.





**Report Title:**

Department of Human Services; Civil Service; Exemptions;  
Permanent Exemptions; Temporary Exemptions

**Description:**

Permanently exempts certain positions from civil service.  
Temporarily exempts from civil service certain positions in the  
department of human services. Effective 1/1/2059. (SD1)

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