

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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HONOLULU, HAWAII 96813
FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON LABOR & GOVERNMENT OPERATIONS

March 21, 2024 at 10:00 a.m.
State Capitol, Room 309

In consideration of
S.B. 3007 SD2
RELATING TO HIRING.

Chair Matayoshi, Vice Chair Garrett, and members of the Committee.

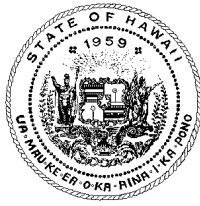
HHFDC has comments on SB 3007 SD2, which authorizes a State department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct minimum qualification reviews of applicants for vacant civil-service positions within the department, division, or agency. It also requires DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances.

This bill is desirable because DHRD may take up to three to six months to send a list of applicants to a department to schedule an interview. Furthermore, this bill would enable HHFDC and other State entities to use their expertise to consider any alternative qualifications and substitutions that may be used in place of the minimum qualifications for a job.

The existing process to fill a civil-service position typically takes seven months or longer. This measure will help to shorten that process and attract a greater number of qualified applicants for State civil-service positions.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
*Ka 'Oihana Ho'omalu Kalaima
a Ho'oponopono Ola*
1177 Alakea Street
Honolulu, Hawaii 96813

TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Pamela J. Sturz
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

No. _____

WRITTEN TESTIMONY ONLY

TESTIMONY ON SENATE BILL 3007, SENATE DRAFT 2
RELATING TO HIRING.

by

Tommy Johnson, Director
Department of Corrections and Rehabilitation

House Committee on Labor and Government Operations
Representative Scot Z. Matayoshi, Chair
Representative Andrew Takuya Garrett, Vice Chair

Thursday, March 21, 2024; 10:00 a.m.
State Capitol, Conference Room 309 & via Videoconference

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) offers comments on Senate Bill (SB) 3007, Senate Draft (SD) 2, which proposes to (1) Allow a state department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency; and (2) Require the DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances. DCR offers the following comments:

- Departments currently can conduct recruitment activities to include minimum qualification reviews of applicants. Hawai'i Revised Statute (HRS) §76-22.5, Recruitment is the authority.

- Page 4 -5 section (c), may violate Hawai'i's Merit Principle since applicants may no longer be objectively and fairly considered for a recruitment. There may be inconsistencies in hiring that could occur creating the possibility of complaints and Departments needing to defend themselves in Merit Appeal Board hearings.
- Page 5, section (d), the Department of Human Resources Development (DHRD) should not be the entity to correct any error the department makes is problematic since if a department wishes to review applications, they must be responsible for the entire process of that recruitment which is to include the administrative review and correcting of errors.
- As written, the person/position who will be reviewing minimum qualifications (MQs) is not clearly defined. This ability should be limited to trained Human Resources staff in a department but it is not specific and could cause problems with the Union and with hiring practices.
- On page 4, lines 17-19, it's unclear who decides the acceptable "alternative qualifications or substitutions." If the intent is that each department will determine its own alternatives/substitutions for MQs, there will likely be inconsistent application of this option, which could lead to more discrimination complaints and increased exposure to liability. Inconsistent application could also cause a disproportionate adverse impact on certain protected classes.

Thank you for the opportunity to provide comments on SB 3007, SD 2.

JOSH GREEN, M. D.
GOVERNOR
KE KIA'ĀINA

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

RYAN YAMANE
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
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Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
**HOUSE COMMITTEE ON LABOR AND
GOVERNMENT OPERATIONS**

Thursday, March 21, 2024

10:00AM

State Capitol, Conference Room 309

In consideration of
SB3007, SD2, RELATING TO HIRING

Chair Matayoshi, Vice Chair Garrett, and members of the committees.

The Department of Human Resources Development (DHRD) appreciates the intent of SB 3007, SD2 which will authorize a state department, division, or agency, rather than DHRD, to conduct a minimum qualification review of applicants for vacant positions. However, we must respectfully oppose this measure.

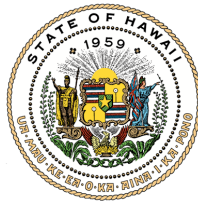
DHRD is concerned for the following reasons:

1. This bill is unnecessary as DHRD already allows departments to request and be granted delegated authority to conduct the full range of recruitment functions for any class of work upon their request.
2. Allowing multiple state departments, divisions, or agencies to conduct a minimum qualification review of the same pool of applications would likely lead to confusion for the applicants and may lead to an inconsistent application of the minimum qualification requirements.
3. Similarly, allowing multiple state departments, divisions, or agencies to consider any alternative qualifications and substitutions in lieu of the state minimum qualifications is contrary to the merit principles and will likely lead to claims of discrimination or favoritism. DHRD also already allows departments to request changes to minimum qualifications, including substitutions, prior to the start of recruitment. As such, we respectfully request section C be removed.

4. An objective and consistent application of the minimum qualifications protects the employer from unnecessary exposure to discrimination liability.
5. The State of Hawai'i selects persons based on merit, which is the selection of persons based on their fitness and ability for public employment pursuant to HRS §76-1.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



JORDAN LOWE
DIRECTOR

MICHAEL VINCENT
Deputy Director
Administration

JARED K. REDULLA
Deputy Director
Law Enforcement

SYLVIA LUKE
LT GOVERNOR
KE KE'ENA

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LAW ENFORCEMENT

Ka 'Oihana Ho'okō Kānāwai

715 South King Street
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TESTIMONY ON SENATE BILL 3007, SENATE DRAFT 2
RELATING TO HIRING

Before the House Committee on Labor & Government Operations

Thursday, March 21, 2024; 10:00 a.m.

State Capitol Conference Room 309, Via Videoconference

WRITTEN TESTIMONY ONLY

Chair Matayoshi, Vice Chair Garrett, and members of the Committee:

The Department of Law Enforcement (DLE) **supports** Senate Bill 3007, Senate Draft 2.

This bill authorizes State departments rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department. The bill also requires DHRD to provide departments with applications received for vacancies.

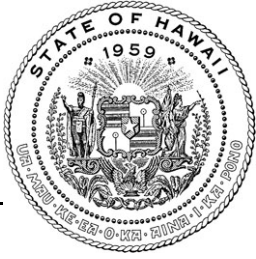
Departments have been plagued with delays in recruitment with much of the delay associated with screening and approval of applications by DHRD which is aggravated with the opening and closing of recruitment for various positions and refusal to submit unprocessed applications to departments if any applicants are currently on the list thereby further limiting department ability to screen the best candidates for positions.

Additionally, DHRD has been understaffed for a prolonged period which has undoubtedly triggered much of DHRD's inability to timely process applications.

The departments are in a much better position to evaluate the qualifications of applicants for specific positions within the department given the unique circumstances of a given position when compared to the approach of lumping all applicants for a specific category or class of position in the same box.

Finally, the departments are not given cart blanche to do as they please in the recruitment of employees as any concerns about the ability of the departments to properly screen applicants are addressed through protections provided in the bill. For example, in the new subsection (c) to be added, departments are required to provide DHRD justification for any consideration of alternative qualifications and substitutions. The new subsection (d) requires departments to submit the applications for any individuals who have met the minimum qualifications to DHRD, which is then required to complete any other tasks necessary to facilitate the hiring of the applicants, including auditing and correcting any errors found in the minimum qualification review. DHRD retains their role of reviewing all applicants thereby assuring the public that departments follow civil service requirements.

Thank you for the opportunity to testify in support of this bill.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON LABOR & GOVERNMENT OPERATIONS

Thursday, March 21, 2024
10:00 AM
State Capitol, Conference Room 309

In consideration of
SB3007, SD2
RELATING TO HIRING.

Chair Matayoshi, Vice Chair Garrett, and members of the Committee.

The Department of Business, Economic Development and Tourism appreciates the intent and offers **comments** regarding SB3007, SD2, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency.

The work of DHRD has been very helpful and reduced the program's burden for hiring employees. However, the labor shortage during the past three years has created challenges for hiring employees for both the public and private sectors. This bill brings innovation to the hiring process, and we believe it will significantly improve the efficiency of hiring government employees.

Thank you for the opportunity to testify.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
INTERIM DIRECTOR

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Fax: (808) 587-2824
Web: <https://planning.hawaii.gov/>

Written Statement of
MARY ALICE EVANS, Interim Director

before the
HOUSE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

Thursday, March 21, 2024

10:00 AM

State Capitol, Conference Room 309

in consideration of
**SB 3007, SD2
RELATING TO HIRING**

Chair Matayoshi, Vice Chair Garrett, and Members of the House Committee on Labor and Government Operations.

The Office of Planning and Sustainable Development (OPSD) **offers comments** on SB 3007, SD2, which authorizes state agencies to conduct a minimum qualifications review of applicants for vacant positions within the department, division, or agency.

OPSD appreciates the intent of this measure to authorize departments, divisions and agencies to screen applicants for vacant positions. The departments can do this task faster than the Department of Human Resource Development (DHRD). Vacant positions that go unfilled for many months leave public services without adequate staff, thus eroding public trust in government.

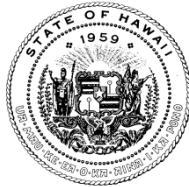
DHRD has the expertise to audit departmental human resource operations for compliance with civil service requirements, thus ensuring consistency and quality control over the merit system.

Departments have the capacity to speed up the process of screening applicants for eligibility to be interviewed for vacant positions and fill their vacancies quickly.

If it is the intent of this Committee to consider ways to expedite the filling of vacant positions in order to improve public service to Hawaii residents, please adopt this measure.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



EDWIN H. SNIFFEN
DIRECTOR
KA LUNA HO'OKELE

Deputy Directors
Nā Hope Luna Ho'okele
DREANALEE K. KALILI
TAMMY L. LEE
ROBIN K. SHISHIDO

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 21, 2024
10:00 a.m.
State Capitol, Conference Room 309

**S.B. 3007 S.D. 2
RELATING TO HIRING**

Senate Committee on Labor and Technology
Senate Committee on Government Operations

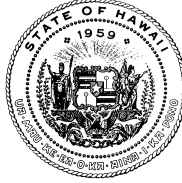
The Hawaii Department of Transportation (DOT) offers **comments** on this measure.

The ability for DOT to review job applications directly, particularly our highest-need positions that are not currently delegated to the DOT, result in a faster turnaround for list of applicants to our programs. The DOT presently has over seventy (70) delegated classes of work.

Departments like the DOT have detailed knowledge of position requirements and therefore may be better suited to screen applicant qualifications.

Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII'



KENNETH S. FINK, M.D., M.G.A, M.P.H
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
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LATE

**Testimony COMMENTING on SB3007 SD2
RELATING TO HIRING**

REPRESENTATIVE SCOT MATAYOSHI, CHAIR
HOUSE COMMITTEE ON LABOR & GOVERNMENT OPERATIONS

Thursday, March 21, 2024

10:00 a.m.

Room 309

- 1 **Fiscal Implications:** None
- 2 **Department Testimony:** The Department of Health (DOH) supports the intent of this measure
- 3 and proposes amendments that may be piloted at DOH for proof of concept, or among any
- 4 Executive Branch agency that volunteers.
- 5 DOH concurs with the Legislature's findings in Section 1 of SB3007 SD1 and asserts that while
- 6 decentralizing recruitment activities as proposed in this measure is helpful, consideration to
- 7 reducing the overall number of steps to shorten the time from closing a recruitment to making an
- 8 offer is warranted.
- 9 DOH currently has delegated authority from the the Department of Human Resources and
- 10 Development (DHRD) for position classifications that are unique to the department. This is
- 11 helpful but shifts rather than reduces the level of effort. When delegated, the department can
- 12 already review minimum qualifications and is not required to send their review back to DHRD
- 13 for next steps, but can proceed with sending a list of those meeting minimum qualifications to

1 the hiring program. As written, proposed subsection (d) may hamper the current delegation
2 authority.

3 As a general practice, hiring programs seek to hire the applicant who will best be able to
4 contribute to the program. The hiring program reviews all applications that it receives, and in so
5 doing, reviews the education, training, or other requirements that would be necessary for an
6 applicant to be able to successfully perform the job. In effect, the hiring program is functionally
7 completing a duplicative review of minimum qualifications.

8 In today's candidate-driven market, delays due to producing a list of applicants who meet
9 minimum qualifications too often result stale applications where highly qualified applicants have
10 already found another job. Immediately forwarding all completed applications received will
11 eliminate this delay. The consequence is that the hiring program may need to review additional
12 applications, which programs seem eager to do in order to receive current applications, but the
13 most qualified applicant(s) remains the most qualified. For checks and balances, the
14 department's human resources office would review the selectee's application and verify
15 minimum qualifications are met prior to an offer of employment being made.

16 The efficiency is in reviewing and verifying minimum qualifications for only one application
17 rather than taking the time to do so for all applications, which doesn't change the outcome.

18 DOH would also propose to be able to interview the most qualified applicants based on their
19 written application. Selecting the most qualified applicants is the premise of the merit principle
20 and remains the foundation of this proposal.

1 DOH is willing to accept the responsibilities for implementing and evaluating a pilot and proof
2 of concept. Although all agencies are bound by the same labor and hiring statutes, each has their
3 own business culture and practices, different configurations of administrative support, and
4 unique deployments of professional expertise which may make permanent across-the-board
5 changes challenging. Limiting this pilot to DOH will provide a controlled but diverse
6 experiment given DOH's variety of classes beyond that of general professional and clerical, such
7 as clinicians, natural science specialists (geologists, microbiologists, chemists, etc.), engineers,
8 educators, peer specialists, culinary and nutritional experts, mechanics and other trades, etc.

9 **Offered Amendments:**

10 The proposed amendments below are offered as a new PART II as Session Law, leaving SB3007
11 SD1 as drafted and unamended.

12 "PART II.

13 SECTION 3. (a) The department of health, in coordination
14 with the department of human resources development, may conduct
15 a hiring pilot which shall include the following:

- 16 (1) Recruitment for all unique and non-unique position
17 classifications within the department for which the
18 department requests or has received delegation;
- 19 (2) Internal recruitment shall be conducted prior to
20 external recruitment;
- 21 (3) External recruitment postings shall indicate that all
22 complete applications received shall be considered by

- 1 the hiring program, but not all will be offered
2 interviews;
- 3 (4) The department human resource office shall not review
4 minimum qualifications and shall send all complete
5 applications received to the hiring program;
- 6 (5) The hiring program shall offer interviews to at least
7 four of the most qualified applicants based on review
8 of the written applications or to all of the
9 applicants if less than four;
- 10 (6) Upon completion of interviews and rank-ordering of
11 candidates, the hiring program will send the name of
12 the selectee(s) to the department's human resource
13 office, whose staff will verify that the selectee
14 meets minimum qualifications;
- 15 (7) Only upon confirmation of minimum qualifications of
16 the selected candidate(s) by the department's human
17 resource office shall the hiring program extend a job
18 offer;
- 19 (8) If the department's human resource office review
20 determines that the selectee's application does not
21 meet minimum qualifications or if it is appropriate to
22 reject an application based on other criteria in
23 Hawaii Administrative Rules, Section 14-3.01-11, the
24 program may not hire their first-choice applicant and
25 may select the next highest scoring applicant cleared
26 by the department's human resource office.

1 (9) The hiring program notifies both the applicant of any
2 application rejected which shall include the cause or
3 causes for rejection, and applicants whose
4 applications were not rejected but who were not
5 selected for the position of their non-selection.

6 (10) The department shall ensure non-discriminatory hiring
7 practices are being maintained and shall be
8 responsible for responding to related Administrative
9 Review, Internal Complaints, Merit Appeals Board, and
10 grievance matters.

11 (b) Any recruitment initiated after January 1, 2027 shall
12 not be included in this hiring pilot.

13 SECTION 4. The department of health shall evaluate the
14 pilot project and submit a report of findings and
15 recommendations to the Legislature no later than twenty days
16 prior to the convening of the Regular Session of 2027.

17 SECTION 5. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on July 1, 2024,
19 provided that Section 3 shall be repealed on December 31, 2026."

20 Mahalo for the opportunity to provide testimony.



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

HOUSE OF REPRESENTATIVES
THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2024

COMMITTEE ON LABOR & GOVERNMENT OPERATIONS

Rep. Scot Z. Matayoshi, Chair
Rep. Andrew Takuya Garrett, Vice Chair

Thursday, March 20, 2024, 10:00 AM
Conference Room 309 & Videoconference

Re: Testimony on SB3007, SD2 – RELATING TO HIRING

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW **supports** SB3007, SD2, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development (“DHRD”), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency. This measure also requires the DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances.

According to DHRD’s 2024 report to the Legislature, there are 4,685 vacant state positions, which represents a 27% vacancy rate. This large number of vacancies has resulted in fewer workers having to shoulder the workload of unfilled positions, this contributing to burnout out and separation from service. As written, this bill could help to address the worker shortage by reducing the length of time it currently takes to hire a qualified candidate. The unprecedented number of vacant state positions in Hawaii is having an impact on government operations and the delivery of services. We urge the committee to pass this bill.

Mahalo for the opportunity to testify in support of this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kalani Werner', written over a light blue horizontal line.

Kalani Werner
State Director

HEADQUARTERS

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