

STAND. COM. REP. NO.

3264

Honolulu, Hawaii

MAR 22 2024

RE: H.B. No. 1946
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 1946, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PROCESS IMPROVEMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a three-year pilot program within the Office of the Governor for an Office of Process Improvement to conduct process and efficiency evaluations of various state offices and agencies and make recommendations for process improvement, beginning with the hiring practices of the Department of Human Services;
- (2) Require the Office of the Governor to submit a report to the Legislature no later than twenty days before the Regular Session of 2027; and
- (3) Appropriate an unspecified amount of funds to the Office of the Governor for the establishment and operation of the Office of Process Improvement Pilot Program, including the hiring of an unspecified number of full-time equivalent positions.



Your Committee received testimony in support of this measure from the Department of Health.

Your Committee finds that there is a significant number of public positions that are vacant within the State. Your Committee believes that evaluating existing processes, including hiring practices, of state offices and agencies is the first step to improving the efficiency of these offices and agencies to better serve the public. According to testimony received by your Committee, allowing departments to pilot innovative hiring practices while adhering to merit principles can help create a learning organization culture and may augment a centralized process improvement effort. This measure will allow the Legislature to make an informed decision on implementing policies to improve the efficiency of existing processes to better serve the public.

Accordingly, your Committee has amended this measure by:

- (1) Placing the three-year pilot program within the Department of Health, instead of the Office of the Governor;
- (2) Narrowing the scope of the pilot program to focus on hiring process improvement that innovates with efficiencies intended to streamline and shorten the hiring process and to make recommendations; and
- (3) Adding provisions that require the hiring process improvement pilot program to:
 - (A) Recruit, both internally and externally, for classifications within the Department, including external recruitment postings;
 - (B) Conduct interviews and rank-order the applicants; and
 - (C) Send the selected candidates to the Department of Health's Human Resources Office for further review;



- (4) Requiring the Department of Health, rather than the Office of the Governor, to submit a report to the Legislature before the Regular Session of 2027;
- (5) Inserting an effective date of July 1, 2491, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1946, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1946, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



ANGUS L.K. MCKELVEY, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* HB1946 HD2	Committee Referral: GVO, WAM	Date: March 19, 2024
--	--	--------------------------------

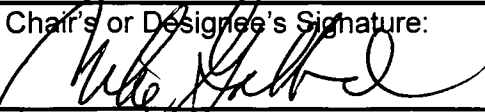
The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.	✓			
WAKAI, Glenn	✓			
AWA, Brenton			✓	
TOTAL	4	—	1	—

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:


Distribution:
 Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

***Only one measure per Record of Votes**