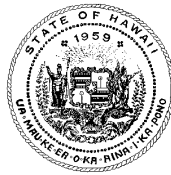


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**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
**KA 'OIHANA HO'OMŌHALA LIMAHANA**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

Before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Wednesday, February 19, 2025  
10:02 AM  
State Capitol, Conference Room 211

In consideration of  
**SB447 Relating to a Department of Health Pilot Program**

Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee:

The Department of Human Resources Development (HRD) offers the following comments for SB447.

The purpose of SB447 is to establish a hiring pilot program within the Department of Health (HTH) aimed at increasing the efficiency of the department's hiring process for their vacancies; grant HTH significant delegation related to recruitment, selection, and the determination of minimum qualification requirements for specific classes of work as described in Section 2; and establish a sunset date for the hiring pilot program of June 30, 2028.

HRD believes this bill is unnecessary as **Hawai'i Revised Statutes (HRS) §76-5 Alternatives in providing human resources program services**, allows for the delegation of the performance of services under chapter 76.

- **§76-5 (a), HRS**, requires the department to perform the services in compliance with any policies, standards, and procedures issued by the director of HRD.
- **§76-5 (b), HRS**, allows for the chief executive, upon recommendation of the director of HRD, to decentralize powers of the director, except for rulemaking, to an appointing authority. In exercising the powers, the appointing authority must issue policies, standards, and procedures that would apply to the department.

The policies, standards, and procedures written and issued by a department granted delegation or decentralized authority must:

1. Adhere to the civil service merit principles, as outlined in §76-1, HRS, which includes:
  - Equal opportunity for all in compliance with all laws prohibiting discrimination.
  - Impartial selection of individuals for public service by means of competitive tests which are fair, objective, and practical.
  - Equal pay for equal work between classes in the same bargaining unit.
2. Comply with the Hawai'i Administrative Rules (HAR) Title 14 Department of Human Resources Development, which includes:
  - HAR 14-3.01 Filling Positions in the Civil Service
  - HAR 14-3.02 Certification
  - HAR 14-3.05 Types of Appointment, Membership in the Civil Service
3. Provide employees and members of the general public their right to due process pursuant to applicable federal and state statutes, administrative rules, internal complaint procedures, the merit appeals board, and contractual grievance procedures for employees covered by chapter 89.

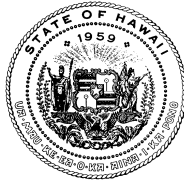
HRD supports efforts to increase the efficiency of the hiring process in the State Executive Branch; however, we have serious concerns with the specific approach and language in Section 2. of this bill. As written, it conflicts with the civil service merit principle pursuant to Hawaii Revised Statutes (HRS) §76-1 and Hawai'i Administrative Rules. It compromises current personnel actions based on the civil service classification system's objective of achieving equal pay for equal work, including the return-to-work placement of injured employees, reduction-in-force placements afforded to civil service employees provided for in collective bargaining agreements and executive orders, seeks to apply civil service merit-based pay programs to a non-merit based appointment, as well as exposing the State to claims of discrimination in violation of federal and state laws.

Should this bill move forward, HRD respectfully requests that the current language in Section 2. of the bill be replaced in its entirety with the following:

SECTION 2. (a) There is established a hiring pilot program within the department of health, for which the department, pursuant to Hawai'i Revised Statutes §76-5, shall issue policies, standards and procedures which conform to applicable federal and state employment laws, administrative rules, policies, guidelines, procedures, and standards in compliance with the civil service merit principles as outlined in HRS §76-1. The department of health will ensure that employees and members of the general public are afforded their right to due process pursuant to federal and state statutes, administrative rules, internal complaint procedures, the merit appeals board, and contractual grievance procedures for employees covered by chapter 89."

HRD is open to discussions with the Department of Health regarding improvements to the hiring process, amendments to minimum qualifications requirements, and compensation programs.

We are available to answer any questions or provide further information as needed.



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
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**Testimony in SUPPORT of SB447 SD1**  
**RELATING TO A DEPARTMENT OF HEALTH PILOT PROGRAM.**

SENATOR DONOVAN M. DELA CRUZ, CHAIR  
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: February 19, 2025

Room Number: 211

1 **Fiscal Implications:** N/A

2 **Department Testimony:** The Department of Health (DOH) strongly supports SB447 SD1 to  
3 expeditiously increase DOH's workforce to quickly assess public health issues, develop effective  
4 public health policy, and instill confidence in residents about Hawaii's ability to protect their  
5 health and well-being.

6 Currently, DOH's vacancy rate is at 29.8%, equalling 1,046 positions. A recent survey indicated  
7 that 43% of DOH respondents, compared to 36% across all departments, reported that they  
8 expected to seriously look for another job in the next twelve months. Despite being more likely  
9 to feel purpose and meaning in their work and supported by colleagues and supervisors, DOH  
10 staff reported work as being their greatest stressor and additional staff/resources as the most  
11 important solution. DOH leadership feels a sense of urgency to address the vacancies in order  
12 to be able to continue to perform the department's key functions.

13 The competitiveness for a government job is not what it was, and innovation for systems  
14 change is needed. Departments, with carefully crafted conditions, can be laboratories and  
15 incubate pilot projects.

1 A recent pilot project took place between August 2024 and January 2025, when DOH  
2 implemented the Hiring Innovation for Rapid Employment (HIRE) Pilot, a business redesign  
3 project aimed at reducing the hiring time and administrative workload for delegated positions.  
4 HIRE redesigned the workflow of filling vacant delegated positions by verifying minimum  
5 qualifications upon selection instead of application.

6 To date, 27 delegated positions were recruited through this program. Of the 27 positions,  
7 DOH's Human Resources Office (HRO) referred 129 applicants to hiring programs. 16 selections  
8 were made, 13 applicants were deemed qualified by HRO, and 13 conditional offers were  
9 extended to qualified applicants. The average time from applicant referral from HRO to the  
10 conditional offer was approximately 53 calendar days (including holidays). The impact from  
11 HIRE reduced HRO's minimum qualifications review from 129 to 16 applicants, decreasing their  
12 workload by approximately 80%, providing increased capacity for additional recruitment  
13 activities.

14 This measure addresses DOH's workforce shortage through 1) the expansion of its current list  
15 of delegated civil service classes of work and include non-unique classes of work, 2) the  
16 flexibility to consider desired qualifications over required minimum qualifications and to  
17 substitute certain community college development programs for required or desired  
18 experience for positions with an SR-10 salary range or below, 3) the ability to directly hire an  
19 applicant who meets minimum qualifications into civil service positions under certain  
20 conditions, and 4) the creation of temporary appointments outside the list at what would be  
21 the merited civil service pay scale without step limitation under certain conditions.

22 Thank you for the opportunity to testify on this measure.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii  
The Senate  
Committee on Ways and Means

Testimony by  
Hawaii Government Employees Association

February 19, 2025

**S.B. 447 — RELATING TO A DEPARTMENT OF HEALTH PILOT PROGRAM**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provides comments on SB 447, which establishes a hiring pilot program within the Department of Health.

While we are **conditionally supportive** of the department's initiative to streamline its civil service hiring process. This measure is an obvious attempt to work around DHRD's centralize recruitment process, which further proves that this process, administered by DHRD, is broken and not adaptive or flexible at meeting the needs of the line-departments and the current job market. We urge the legislature to focus its effort on improving our state's recruitment efforts, as a whole, as we continue to see reduction in services to the public and increase/abuse of exempt positions within state government. Nitpicking on an employee's right to telework, or their use of office space will not fix the issue.

Furthermore, we have **concerns with the language of this bill on page 5, line 6 to 17**, which we believe would grant the director authority to hire positions exempt from civil service, temporarily. Positions with an SR-10 and lower, are generally clerical and administrative positions that should not be exempted from civil service. Although, we recognize that these types of positions are hard to fill due to its uncompetitive salary, we must stress that these positions be repriced to a competitive salary range, rather than exempting them from civil service.

Thank you for the opportunity to provide comments S.B. 447.

Respectfully submitted,

Randy Perreira  
Executive Director

**SB-447**

Submitted on: 2/16/2025 10:24:27 PM

Testimony for WAM on 2/19/2025 10:02:00 AM

| Submitted By | Organization | Testifier Position | Testify                   |
|--------------|--------------|--------------------|---------------------------|
| Ruth Love    | Individual   | Comments           | Written Testimony<br>Only |

Comments:

Are the staff who have not met the required minimums for the positions they are hired for being required to obtain the required minimums within 5 years of employment?

Also, if we are hiring under qualified staff and training them are they contracted to stay in the position for 3 or 5 years to help alleviate staffing issues for the state?

Thank you

Mrs Ruth Love

Thank you

Mrs Ruth Love