

ACT 151

S.B. NO. 726

A Bill for an Act Relating to the Department of Human Resources Development.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 26-5, Hawaii Revised Statutes, is amended to read as follows:

“§26-5 Department of human resources development. (a) The department of human resources development shall be headed by a single executive to be known as the director of human resources development. The director shall:

(1) Facilitate and expedite the hiring and recruitment for civil service positions under the jurisdiction of the department of human resources development; and

(2) Have the authority to reclassify and abolish vacant positions within state departments and agencies that are under the jurisdiction of the department of human resources development, subject to the following conditions:

(A) Prior to reclassifying or abolishing any vacant position as provided under this paragraph, the director shall submit a report to the legislature no later than twenty days prior to each regular session. The report shall include a list of vacant positions for reclassification or abolishment, identify the agency each position is attached to, provide reasons for reclassifying or abolishing the position, and state the duration that the position has been vacant; and

(B) The director may reclassify or abolish any vacant position as provided under this paragraph no earlier than sixty days after the report has been submitted to the legislature as provided under subparagraph (A).

(b) The department shall administer the state human resources program, including human resources development and training, and central human resources services such as recruitment, examination, classification, pay administration, and payment of any claims as required under chapter 386.

(c) There shall be within the department of human resources development a board to be known as the merit appeals board, which shall sit as an appellate body on matters set forth in section 76-14. The board shall consist of three members. All members shall have knowledge of public employment laws and prior experience with public employment; provided that at least one member's experience was with an employee organization as a member or an

employee of that organization and at least one member's experience was with management. The governor shall consider the names of qualified individuals submitted by employee organizations or management before appointing the members of the board. The chairperson of the board shall be designated as specified in the rules of the board.

(d) The provisions of section 26-34 shall not apply and the board members shall be appointed by the governor for four-year terms and may be ~~[re-appointed]~~ reappointed without limitation; provided that the initial appointments shall be for staggered terms, as determined by the governor. The governor shall fill any vacancy by appointing a new member for a four-year term. The governor may remove for cause any member after due notice and public hearing.

(e) Nothing in this section shall be construed as in any manner affecting the civil service laws applicable to the several counties, the judiciary, or the Hawaii health systems corporation or its regional system boards, which shall remain the same as if this chapter had not been enacted.

~~[(f) There is established within the department of human resources development an administrative assistant position exempt from chapter 76. The administrative assistant shall be appointed by and report to the director of human resources development.~~

~~The administrative assistant shall:~~

- ~~(1) Facilitate and expedite the hiring and recruitment for civil service positions under the jurisdiction of the department of human resources development; and~~
- ~~(2) Have the authority to reclassify and abolish vacant positions within state departments and agencies that are under the jurisdiction of the department of human resources development, subject to the following conditions:~~
 - ~~(A) Prior to reclassifying or abolishing any vacant position as provided under this paragraph, the administrative assistant shall submit a report to the legislature no later than twenty days prior to each regular session. The report shall include a list of vacant positions for reclassification or abolishment, identify the agency each position is attached to, provide reasons for reclassifying or abolishing the position, and state the duration the position has been vacant; and~~
 - ~~(B) The administrative assistant may reclassify or abolish any vacant position as provided under this paragraph no earlier than sixty days after the report has been submitted to the legislature as provided under this paragraph.~~

~~(g) (f)~~ There is established in the state treasury the human resources development special fund, to be administered by the department of human resources development, which shall consist of: ~~[a]]~~

- ~~(1) All~~ revenues received by the department as a result of entrepreneurial efforts in securing new sources of funds not provided for in the department's budget for services rendered by the department~~[-, a]]~~;
- ~~(2) All~~ revenues received by the department from the charging of participant fees for in-service training that are in addition to general fund appropriations in the department's budget for developing and operating in-service training programs~~[-, appropriations]~~;
- ~~(3) Appropriations~~ made by the legislature to the fund~~[-, and moneys]~~; and
- ~~(4) Moneys~~ directed to the department from any other source, including gifts, grants, and awards.

(g) Moneys in the human resources development special fund shall be used for the following purposes:

- (1) Supporting the department's entrepreneurial initiatives, training activities, and programs;
- (2) Administrative costs of the department's entrepreneurial initiatives, training activities, and programs; and
- (3) Any other purpose deemed necessary by the director for the purpose of facilitating the department's entrepreneurial initiatives, training activities, and programs.

(h) The department of human resources development shall submit, no later than twenty days prior to the convening of each regular session of the legislature [~~beginning with the regular session of 2007~~], a report of the number of exempt positions that were converted to civil service positions during the previous twelve months. The report shall include but not be limited to:

- (1) When the position was established;
- (2) The purpose of the position;
- (3) Rationale for the conversion; and
- (4) How many exempt positions remain in each state department after the conversions."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 29, 2023.)