



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

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GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

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March 25, 2025

To: HOUSE COMMITTEE ON FINANCE
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair and
Honorable Members

From: John C (Jack) Lewin MD, Administrator, SHPDA and
Senior Advisor to Governor Green on Healthcare Innovation

Re: **SB447, HD1 – RELATING TO A DOH PILOT PROGRAM**

Hearing: Friday, March 28, 2025 @ 2:00 pm; Conference Room 308

Position: SUPPORT

Testimony:

SHPDA strongly supports SB447, HD1, which establishes a hiring pilot program within the Department of Health (DOH), including an amended hiring procedure for delegated position classifications, certain flexibilities regarding minimum qualifications for positions having a salary range at or below SR-10, the ability to directly hire certain individuals into a civil service position if certain conditions are met, and the authority to make certain temporary appointments at the merited civil service pay scale without step limitation. It applies only to recruitments initiated before 7/1/2028.

Our DOH has a worrisome number of vacancies that threaten our state's ability to effectively address the myriad public health, mental health, and environmental issues of critical importance we face. This pilot program could accelerate filling over 1000 vacant positions

Thank you for the opportunity to testify.



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

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA

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

Before the
HOUSE COMMITTEE ON FINANCE
Friday, March 28, 2025
2:00 PM
State Capitol, Conference Room 308

In consideration of
SB447 HD1, RELATING TO A DEPARTMENT OF HEALTH PILOT PROGRAM

Chair Yamashita, Vice Chair Takenouchi, and the members of the committee.

The Department of Human Resources Development (HRD) offers the following strong objections to SB447 HD1 due to fundamental flaws in the proposed hiring pilot program.

The purpose of SB447 HD1 is to establish a hiring pilot program within the Department of Health (HTH) to increase the efficiency of its hiring process. The bill proposes to delegate substantial authority to HTH related to recruitment, selection, and the determination of minimum qualification requirements for specific classes of work, as described in Section 2. The program is set to sunset on June 30, 2028.

HRD fully supports efforts to streamline hiring in the State Executive Branch. However, we strongly oppose the specific approach outlined in Section 2 of this bill for the following reasons:

1. Undermines the Civil Service Merit Principle and Equity in Hiring

As written, Section 2 **directly conflicts** with the civil service merit principle under Hawaii Revised Statutes (HRS) §76-1 and Hawai'i Administrative Rules (HAR). It fundamentally disrupts:

- The civil service classification system's objective of equal pay for equal work, creating inequities across departments.
- The return-to-work placement of injured employees.
- Reduction-in-force (RIF) placements, which are essential protections under collective bargaining agreements and executive orders.

- The statewide merit-based hiring process, potentially allowing HTH to fill vacancies with lesser-qualified applicants.
- Compliance with federal and state non-discrimination laws, which could lead to legal challenges against the State.

To address these concerns, we urge the complete removal of Section 2 and its replacement with the following language:

SECTION 2. (a) There is established a hiring pilot program within the Department of Health, for which the department, pursuant to HRS §76-5, shall issue policies, standards, and procedures that conform to all applicable federal and state employment laws, administrative rules, and civil service merit principles outlined in HRS §76-1. The Department of Health must ensure all employees and members of the public retain their due process rights under federal and state statutes, administrative rules, merit appeals board procedures, and collective bargaining agreements under Chapter 89.

2. Creates an Unequal Hiring Playing Field and Undermines Statewide Recruitment

This bill effectively separates HTH from the rest of the Executive Branch, allowing it to operate as an independent employer, which:

- Directly contradicts HRD's statewide efforts to establish the State as an employer of choice.
- Creates an unfair hiring advantage for HTH, which will be able to offer Temporary Appointment Outside the List (TAOL) positions at higher salaries while bypassing the qualification requirements applied to all other departments.
- Pits HTH against other departments by allowing it to offer roles with lower qualification thresholds, creating inequities and setting a dangerous precedent for fragmented hiring practices across the State.

3. DOH Already Has the Authority and Tools to Achieve the Bill's Objectives

This bill is unnecessary because Hawai'i Revised Statutes §76-5 already allows for delegation of HR services while maintaining compliance with civil service merit principles. Specifically:

- §76-5(a), HRS, mandates that all delegated hiring activities adhere to policies, standards, and procedures set by HRD.
- §76-5(b), HRS, allows for decentralized authority but still requires compliance with the civil service merit system and administrative rules.

Additionally, DOH already has access to HRD hiring programs that provide flexibility and efficiency, including:

- **Delegation of unique job classes** tailored to departmental needs.
- **Holo Delegation**, which allows departments to manage shared job classifications.
- **Act 186**, enacted last year, which allows agencies to screen candidates for minimum qualifications.
- **Wikiwiki Hiring**, which provides departments with updated lists of eligible candidates every two weeks and allows both the applicant and the hiring program to initiate contact for interviews.
- **Operation Hire Hawai'i (OH-HI)**, which provides an expedited hiring process where applicants are referred to departments daily.

In Standing Committee Report 1388, the House Committee on Labor writes that “[Y]our Committee recognizes that the Department of Health has exhausted all the tools provided by the Department of Human Resources Development, including the Hire Hawaii Program, Holo Delegation, and Wikiwiki Hiring Program, which have had little effect on filling their large vacancy. Your Committee notes that the Department of Health's chief concern is the timeliness in which qualified candidates are referred to them, noting that it often takes two to four months for the Human Resource Office to pre-screen applicants and provide the Department of Health with a list of candidates to contact for an interview, by which time those applicants have found employment elsewhere.” While we appreciate the Committee’s attention to HTH’s hiring challenges, we would like to clarify several points regarding the hiring process and the tools available to departments.

We respectfully note that the Department of Health has not fully utilized all tools available to expedite hiring. While the Committee report suggests that HRD’s hiring programs have been exhausted, the Operation Hire Hawaii (OH-HI) program — established under Executive Order 25-02 — remains underutilized by the Department of Health, despite our repeated offers of support. If expediting the hiring of staff is a stated priority, it is unclear why this streamlined and proactive program has not been more broadly employed. Of the Department’s 836 vacancies, there are currently 757 qualified applicants in our system whose backgrounds align with those vacancies. To date, the Department has only opted into the OH-HI program for a single class — planner.

HRD has also offered to partner with the Department of Health to utilize our Wikiwiki program to address some of their recruitment challenges. Under the Wikiwiki program HRD commits to screening and referring applicants directly to the hiring managers every two weeks. To date, HTH is only participating in Wikiwiki for office assistants and engineers because it is required of all departments.

Oftentimes, the primary issue with filling vacancies throughout the State is a limited applicant pool for certain classes of work. Clinical Psychologists, a position of critical

need for the Department of Health, illustrates this challenge. In 2025, we received 16 applications, of which only 9 were qualified. By comparison, 185 applications have been received for engineer positions — another class of work that also faces persistent recruitment difficulties.

We remain committed to working collaboratively with all departments to reduce hiring timelines and ensure access to qualified candidates. However, for these efforts to be effective, they must be actively utilized.

HRD opposes SB 447 HD1 as written and urges the Legislature to reject this bill unless Section 2 is removed and replaced with language that maintains compliance with civil service merit principles. The proposed pilot program is redundant, inequitable, and harmful to statewide hiring efforts.

HRD remains committed to working with the Department of Health and other agencies to improve hiring processes while ensuring compliance with civil service protections and fairness across all departments. We are available to answer any questions or provide further information as needed.

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HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Thirty-Third Legislature, State of Hawaii
The House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

March 28, 2025

S.B. 447, H.D. 1 — RELATING TO A DEPARTMENT OF HEALTH PILOT PROGRAM

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the intent of S.B. 447, H.D. 1, which establishes a hiring pilot program within the Department of Health.

First and foremost, we appreciate and applaud the department's initiative to streamline its civil service hiring process, as they are facing significant challenges in recruiting qualified employees in a timely and competitive manner. This measure is an obvious attempt to work around DHRD's centralized 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 high vacancy rates which has led to a reduction in services to the public and an increase/abuse of exempt positions within state government.

Thank you for the opportunity to provide testimony in support of S.B. 447, H.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director

The Honorable Kyle T. Yamashita, Chair
The Honorable Jenna Takenouchi, Vice Chair
House Committee of Finance

SB447 HD1
Friday, March 28, 2025, 2:00 pm
VIA VIDEOCONFERENCE Conference Room 308, State Capitol
415 South Beretania Street.

I support SB447 HD1, Department of Health Pilot Program.

I Caesare Santiago, a resident of Hawaii, support bill SB447 HD1 in implementing a pilot program. As a member of Hawaii's population, I understand the need to have personnel to quickly assess and address the public's health needs for the people. This could be met by allowing a pilot program within DOH to fill current vacancies. The current DHRD process lacks the flexibility and adaptability necessary to address the evolving demands of the job market.

Possible considerations while implementing:

1. Establishing possible on-the-job training and/or certifications for those without position job experience but who meet degree requirements.
2. Establish internship programs within community and university colleges to build rapport and possible future employment opportunities.

Thank you for taking the time to consider addressing these vacancies in the Department of Health and the importance of the unmet needs in the public health sector.

Sincerely and Mahalo,
Caesare Santiago