

JAN 24 2024

A BILL FOR AN ACT

RELATING TO EMPLOYMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State's
2 executive branch has a large number of job vacancies. These
3 vacancies have caused severe workforce shortages, impacting the
4 quality and availability of government services. To help
5 address workforce shortages and to ensure that the State remains
6 a competitive employer, the legislature would benefit from
7 up-to-date data on executive branch vacancies, recruitment
8 efforts, and retention policies.

9 Accordingly, the purpose of this Act is to require and
10 appropriate moneys for the department of human resources
11 development to prepare an annual report on vacancies,
12 recruitment efforts, and retention policies in the State's
13 executive branch.

14 SECTION 2. Section 26-5, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§26-5 Department of human resources development.** (a)

17 The department of human resources development shall be headed by



1 a single executive to be known as the director of human
2 resources development. The director shall:

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

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

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



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

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

11 (c) There shall be within the department of human
12 resources development a board to be known as the merit appeals
13 board which shall sit as an appellate body on matters set forth
14 in section 76-14. The board shall consist of three members.
15 All members shall have knowledge of public employment laws and
16 prior experience with public employment; provided that at least
17 one member's experience [~~was~~] shall be with an employee
18 organization as a member or an employee of that organization and
19 at least one member's experience [~~was~~] shall be with management.
20 The governor shall consider the names of qualified individuals
21 submitted by employee organizations or management before



1 appointing the members of the board. The chairperson of the
2 board shall be designated as specified in the rules of the
3 board.

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

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

17 (f) There is established in the state treasury the human
18 resources development special fund, to be administered by the
19 department of human resources development, which shall consist
20 of:



1 (1) All revenues received by the department as a result of
2 entrepreneurial efforts in securing new sources of
3 funds not provided for in the department's budget for
4 services rendered by the department;

5 (2) All revenues received by the department from the
6 charging of participant fees for in-service training
7 that are in addition to general fund appropriations in
8 the department's budget for developing and operating
9 in-service training programs;

10 (3) Appropriations made by the legislature to the fund;
11 and

12 (4) Moneys directed to the department from any other
13 source, including gifts, grants, and awards.

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

16 (1) Supporting the department's entrepreneurial
17 initiatives, training activities, and programs;

18 (2) Administrative costs of the department's
19 entrepreneurial initiatives, training activities, and
20 programs; and



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

5 (h) The department of human resources development shall
6 submit, no later than twenty days prior to the convening of each
7 regular session of the legislature, a report of the number of
8 exempt positions that were converted to civil service positions
9 during the previous twelve months. The report shall include but
10 not be limited to:

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

16 (i) No later than twenty days prior to the convening of
17 each regular session of the legislature, beginning with the
18 regular session of 2025, the department of human resources
19 development shall submit a report on vacancies, recruitment
20 efforts, and retention policies in the State's executive branch.



1 The report shall include the following information for the
2 previous twelve months:

- 3 (1) The total number of vacant positions;
- 4 (2) The number of vacant positions, and percentage of
5 total vacancies, per department or agency;
- 6 (3) A list of each vacant position, disaggregated by
7 department or agency, including the:
 - 8 (A) Position number;
 - 9 (B) Job title;
 - 10 (C) Duration of the vacancy;
 - 11 (D) Steps taken to fill the vacancy and any
12 challenges encountered;
 - 13 (E) Amount budgeted for the position;
 - 14 (F) Temporary or permanent status; and
 - 15 (G) Impact of the vacancy, if any, on government
16 operations and the delivery of services;
- 17 (4) The number of vacant positions, and percentage of
18 total vacancies, per island;
- 19 (5) The total number of employees who left executive
20 branch employment, and the general reasons, if
21 available;



- 1 (6) The number of employees who left each department or
- 2 agency and the reasons, if available;
- 3 (7) The total number of new hires;
- 4 (8) The total number of new hires per department or
- 5 agency;
- 6 (9) The total number of new hires per island;
- 7 (10) The ten civil service classifications having the
- 8 highest vacancy rates and fifty or more vacancies
- 9 across the executive branch;
- 10 (11) Copies of organizational charts for each department or
- 11 agency, indicating which positions are filled and
- 12 which are vacant; and
- 13 (12) Policies or strategies that the department of human
- 14 resources development has implemented, or plans to
- 15 implement, to:
- 16 (A) Make the state executive branch a competitive
- 17 employer;
- 18 (B) Retain employees; and
- 19 (C) Recruit new employees;



1 provided that all employee names and personally identifiable
2 information shall be excluded or redacted from every part of the
3 report, including organizational charts."

4 SECTION 3. In accordance with section 9 of article VII, of
5 the Constitution of the State of Hawaii and sections 37-91 and
6 37-93, Hawaii Revised Statutes, the legislature has determined
7 that the appropriation contained in this Act will cause the
8 state general fund expenditure ceiling for fiscal year 2024-2025
9 to be exceeded by \$, or per cent. The reasons
10 for exceeding the general fund expenditure ceiling are that the
11 appropriation made in this Act is necessary to serve the public
12 interest and to meet the need provided for by this Act.

13 SECTION 4. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$ or so much
15 thereof as may be necessary for fiscal year 2024-2025 for the
16 department of human resources development to compile a report on
17 vacancies, recruitment efforts, and retention policies in the
18 State's executive branch.

19 The sum appropriated shall be expended by the department of
20 human resources development for the purposes of this Act.

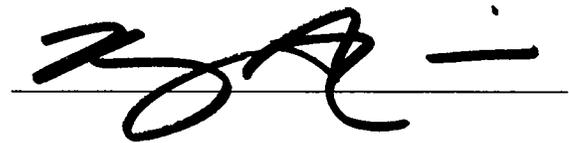


1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval;
4 provided that section 4 shall take effect on July 1, 2024.

5

INTRODUCED BY:

A handwritten signature in black ink, appearing to be "Z. A. -", is written over a horizontal line.



S.B. NO. 3297

Report Title:

DHRD; Executive Branch; Workforce; Report; Appropriation;
General Fund Expenditure Ceiling Exceeded

Description:

Requires and appropriates moneys for the Department of Human Resources Development to submit an annual report on vacancies, recruitment efforts, and retention policies in the State's Executive Branch. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

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