JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



#### STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

# Statement of **DEAN MINAKAMI**Hawaii Housing Finance and Development Corporation Before the

### **HOUSE COMMITTEE ON FINANCE**

February 27, 2024 at 2:00 p.m. State Capitol, Room 308

In consideration of H.B. 1832 HD1 RELATING TO HIRING.

HHFDC has **comments** on HB 1832 HD1, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant civil service positions within the department, division, or agency. It also requires DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances.

This measure makes it exponentially easier for HHFDC to fill its civil service vacancies by allowing us to review our own applicants as soon as the job posting closes. We understand best whether an applicant meets the minimum job qualifications.

The normal process to fill a civil service position can be seven months or longer and this measure will shorten the process.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

> SYLVIA LUKE LT GOVERNOR

KE KE'ENA



STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF LAW ENFORCEMENT

Ka 'Oihana Ho'okō Kānāwai

715 South King Street Honolulu, Hawai'i 96813 JORDAN LOWE DIRECTOR

MICHAEL VINCENT
Deputy Director
Administration

JARED K. REDULLA
Deputy Director
Law Enforcement

## TESTIMONY ON HOUSE BILL 1832, HOUSE DRAFT 1 RELATING TO HIRING

Before the House Committee on Finance
Tuesday, February 27, 2024; 2:00 p.m.
State Capitol Conference Room 308, Via Videoconference
Testifiers: Michael Vincent, or Jared Redulla

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee:

The Department of Law Enforcement (DLE) **supports** House Bill 1832, House Draft 1.

This bill authorizes State departments rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department. The bill also requires DHRD to provide departments applications received for vacancies.

Departments have been plagued with delays in recruitment with much of the delay associated with screening and approval of applications which is aggravated by the opening and closing of recruitment for various positions and refusal to submit unprocessed applications to departments if any applicants are currently on the list thereby further limiting department ability to screen the best candidates for positions.

Additionally, DHRD has been understaffed for a prolonged period which has undoubtedly triggered much of DHRD's inability to timely process applications.

Finally, the departments are in a much better position to evaluate the qualifications of applicants for specific positions within the department given the unique circumstances of a given position when compared to the approach of lumping all applicats for a specific category or class of position in the same box.

Thank you for the opportunity to testify in support of this bill.



# STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D.

SYLVIA LUKE

MARY ALICE EVANS
INTERIM DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: https://planning.hawaii.gov/

## Statement of MARY ALICE EVANS, Interim Director

### before the

## HOUSE COMMITTEE ON FINANCE

Tuesday, February 27, 2024, 2:00 PM State Capitol, Conference Room 308

## in consideration of HB 1832, HD1 RELATING TO HIRING

Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance.

The Office of Planning and Sustainable Development (OPSD) offers **comments** on HB 1832, HD1, which authorizes state agencies to conduct minimum qualifications reviews of applicants for vacant positions within the department, division, or agency.

OPSD appreciates the intent of this measure to authorize departments, divisions and agencies to screen applicants for vacant positions. The departments can do this task faster than the Department of Human Resource Development (DHRD). Vacant positions that go unfilled for many months leave public services without adequate staff, thus eroding public trust in government.

DHRD has the expertise to audit departmental human resource operations for compliance with civil service requirements, thus ensuring consistency and quality control over the merit system.

Departments have the capacity to speed up the process of screening applicants for eligibility to be interviewed and fill their vacancies more quickly.

If it is the intent of this Committee to consider ways to expedite the filling of vacant positions in order to improve public service to Hawaii residents, please adopt this measure.

Thank you for the opportunity to testify on this measure.

HB/SB XXXX RELATING TO	SUPPORT/COMMENT
State Office of Planning	g and Sustainable Development
	Hearing Date

Text.

Thank you for the opportunity to testify on this measure.





## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813

Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

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SYLVIA LUKE LT. GOVERNOR

JAMES KUNANE TOKIOKA

DANE K. WICKER
DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

## Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

### **HOUSE COMMITTEE ON FINANCE**

Tuesday, February 27, 2024 2:00 PM State Capitol, Conference Room 308

> In consideration of HB1832, HD1 RELATING TO HIRING.

Chair Yamashita, Vice Chair Kitagawa and members of the Committee.

The Department of Business, Economic Development and Tourism appreciates the intent and offers **comments** regarding HB1832, HD1, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency.

The work of DHRD has been very helpful and reduced the program's burden for hiring employees. However, the labor shortage during the past three years has created challenges for hiring employees for both the public and private sectors. We understand that DHRD itself is short staffed which has a domino effect in the timeliness of the hiring process. Decentralization places accountability for accurate, timely and responsible hiring at the department and division level. This bill brings innovation to the hiring process, provides additional support for DHRD, and we believe it will significantly improve the efficiency of hiring government employees.

Thank you for the opportunity to testify.



## STATE OF HAWAI'I HAWAI'I STATE PUBLIC LIBRARY SYSTEM

'OIHANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAI'I OFFICE OF THE STATE LIBRARIAN 44 MERCHANT STREET HONOLULU, HAWAII 96813

HOUSE COMMITTEES ON FINANCE
Tuesday, February 27, 2024
2:00 p.m.
Conference Room 308

By Stacey A. Aldrich State Librarian

H.B. 1832, H.D. 1 RELATING TO HIRING

To: Rep. Kyle Yamashita, Chair Rep. Lisa Kitagawa, Vice Chair

Members of the House Committee on Finance

The Hawaii State Public Library System (HSPLS) provides the following **comments on H.B. 1832**, **H.D, 1**, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development, to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency. It also requires the Department of Human Resources Development (DHRD) to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances.

Like other State departments and agencies, the HSPLS faces marketplace (a diminished labor pool, for example) and procedural challenges when hiring at all levels.

State hiring procedures are complex, labor-intensive and lengthy. Often times, it takes a minimum of at least six months to identify/hire an employee. And because DHRD does not have enough staff to review lists for all of the departments in a timely manner, we don't often see all of the potential candidates that have applied at one time.

Frequently, promising candidates have already been hired in other positions before we even get the lists of candidates to interview. Additionally, we see candidates who do not meet the MQRs and are referred over to us, and our time is wasted reviewing the lists.

House Committee on Finance H.B. 1832 H.D.1 February 27, 2024

Low staffing levels contribute to reduced library hours of operation and impede our ability to provide needed programs and services to our communities, particularly on the neighbor islands. In FY2022, the total number of public service hours lost due to low staffing was 283.5. This translates into 71 incidents of full closures of one hour or more and 27 reductions to just door service. The majority of the loss of public service occurs on the neighbor islands.

Thank you for the opportunity to provide comments on H.B. 1832, H.D. 1.

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

SYLVIA LUKE LT. GOVERNOR KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO DIRECTOR KA LUNA HO'OKELE

RYAN YAMANE DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

### STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT KA 'OIHANA HO'OMŌHALA LIMAHANA

235 S. BERETANIA STREET HONOLULU, HAWAI'I 96813-2437

## Statement of BRENNA H. HASHIMOTO

Director, Department of Human Resources Development

## Before the HOUSE COMMITTEE ON FINANCE

Tuesday, February 27, 2024 2:00PM State Capitol, Conference Room 308

In consideration of HB1832, HD1, RELATING TO HIRING

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

The Department of Human Resources Development (DHRD) appreciates the intent of HB 1832, HD1 which will authorize a state department, division, or agency, rather than DHRD, to conduct a minimum qualification review of applicants for vacant positions. However, we must respectfully oppose this measure.

DHRD is concerned for the following reasons:

- The bill is unnecessary as DHRD already allows departments to request and be granted delegated authority to conduct the full range of recruitment functions for their unique classes of work upon their request.
- 2. Allowing multiple state departments, divisions, or agencies to conduct the minimum qualification review of the same pool of applications would likely lead to confusion for the applicants and may lead to an inconsistent application of the minimum qualification requirements.
- Similarly, allowing multiple state departments, divisions, or agencies to consider any alternative qualifications and substitutions in lieu of the stated minimum qualifications is contrary to the merit principles and will likely lead to claims of discrimination or favoritism.
- 4. An objective and consistent application of the minimum qualifications protects the employer from unnecessary exposure to discrimination liability.

5. The State of Hawai'i selects persons based on merit, which is the selection of persons based on their fitness and ability for public employment pursuant to HRS §76-1.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



#### STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I

# DEPARTMENT OF CORRECTIONS AND REHABILITATION Ka 'Oihana Ho'omalu Kalaima a Ho'oponopono Ola

1177 Alakea Street Honolulu, Hawai'i 96813

#### TOMMY JOHNSON DIRECTOR

Melanie Martin Deputy Director Administration

Pamela J. Sturz
Deputy Director
Correctional Institutions

Sanna Muñoz

Deputy Director
Rehabilitation Services
and
Programs

## TESTIMONY ON HOUSE BILL 1832, HOUSE DRAFT 1 RELATING TO HIRING

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Tommy Johnson, Director Department of Corrections and Rehabilitation

House Committee on Finance Representative Kyle T. Yamashita, Chair Representative Lisa Kitagawa, Vice Chair

Thursday, February 27, 2024; 2:00 p.m. State Capitol, Conference Room 308 & via Videoconference

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) offers comments on House Bill (HB) 1832, House Draft (HD) 1, which proposes to (1) Allow a state department, division, or agency, rather than the Department of Human Resources Development (DHRD), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency; and (2) Require the DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances. DCR offers the following comments:

 Departments currently can conduct recruitment activities to include minimum qualification reviews of applicants. Hawai'i Revised Statute (HRS) §76-22.5, Recruitment is the authority. House Bill 1832 Relating to Hiring House Committee on Labor and Government Operation February 1, 2024 Page 2

- Page 4 -5 section (c), may violate Hawai'i's Merit Principle since
  applicants may no longer be objectively and fairly considered for a
  recruitment. There may be inconsistencies in hiring that could occur
  creating the possibility of complaints and Departments needing to defend
  themselves in Merit Appeal Board hearings.
- Page 5, section (d), the Department of Human Resources Development (DHRD) should not be the entity to correct any error the department makes is problematic since if a department wishes to review applications, they must be responsible for the entire process of that recruitment which is to include the administrative review and correcting of errors.
- As written, the person/position who will be reviewing minimum
  qualifications (MQs) is not clearly defined. This ability should be limited to
  trained Human Resources staff in a department but it is not specific and
  could cause problems with the Union and with hiring practices.
- On page 4, lines 17-19, it's unclear who decides the acceptable
   "alternative qualifications or substitutions." If the intent is that each
   department will determine its own alternatives/substitutions for MQs, there
   will likely be inconsistent application of this option, which could lead to
   more discrimination complaints and increased exposure to liability.
   Inconsistent application could also cause a disproportionate adverse
   impact on certain protected classes.

Thank you for the opportunity to provide comments on HB 1832, HD 1.



## HOUSE OF REPRESENTATIVES THE THIRTY-SECOND LEGISLATURE REGULAR SESSION OF 2024

#### **COMMITTEE ON FINANCE**

Rep. Kyle T. Yamashita, Chair Rep. Lisa Kitagawa, Vice Chair

Tuesday, February 27, 2024, 2:00 PM Conference Room 308 & Videoconference

Re: Testimony on HB1832, HD1 – RELATING TO HIRING

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO ("UPW") is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW <u>supports</u> HB1832, HD1, which authorizes a state department, division, or agency, rather than the Department of Human Resources Development ("DHRD"), to conduct a minimum qualification review of applicants for vacant positions within the department, division, or agency. This measure also requires the DHRD to provide state departments, divisions, and agencies the applications received for vacancies under certain circumstances.

According to DHRD's 2024 report to the Legislature, there are 4,685 vacant state positions, which represents a 27% vacancy rate. The large number of vacancies has resulted in fewer workers having to shoulder the workload of unfilled positions and may be contributing to burnout and separation from service. As written, this bill could help to address the worker shortage by reducing the length of time it currently takes to hire a qualified candidate. The unprecedented number of vacant state positions in Hawaii is having an impact on government operations and the delivery of services. We urge the committee to pass this bill.

Mahalo for the opportunity to testify in support of this measure.

Sincerely,

Kalani Werner