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HOUSE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS

The Honorable Scot Z. Matayoshi, Chair  
The Honorable Andrew Takuya Garrett, Vice Chair

**H.C.R. NO. 78, REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW  
OF THE POTENTIAL IMPACTS OF LICENSURE AND REGULATION OF CERTAIN  
HUMAN RESOURCES MANAGEMENT PERSONNEL.**

**H.R. NO. 63, REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF  
THE POTENTIAL IMPACTS OF LICENSURE AND REGULATION OF CERTAIN  
HUMAN RESOURCES MANAGEMENT PERSONNEL.**

Hearing: Thursday, March 21, 2024, 10:00 a.m.

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The Office of the Auditor offers the following comments on H.C.R. No. 78 and H.R. No. 63, requesting the Auditor to conduct a sunrise review of the potential impacts of licensure and regulation of certain human resources management personnel.

Section 26H-6, Hawai'i Revised Statutes (HRS), requires the Auditor to assess whether proposals that will subject an unregulated profession or vocation to licensing or other regulatory controls are consistent with the State's policy regarding professional and vocational licensing in the Hawai'i's Regulatory Licensing Reform Act, Chapter 26H, HRS. The statute requires that the concurrent resolution identify the specific bill containing the proposed regulation that the Auditor is requested to assess. The bill presumably includes the proposed regulatory framework as well as a definition of the scope of services for which a license or other State-issued certification is required to perform.

Neither H.C.R. No. 78 nor H.R. No. 63 identify a current bill proposing to regulate the profession of Human Resource Management. Without specific information, including the proposed framework or a description of the scope of services, we are unable to determine the probable effects of the proposed regulatory measure or to assess whether its enactment would be consistent with Hawai'i's Regulatory Licensing Reform Act.

Thank you for considering our testimony related to H.C.R. No. 78 and H.R. No. 63.

TESTIMONY IN SUPPORT FOR  
**CERTIFICATION OF HUMAN RESOURCES PERSONNEL**  
**(Also applies to Fiscal Administrators)**

**LEGISLATIVE PROPOSAL: HUMAN RESOURCES**

Require all Personnel in the Human Resources Field to obtain a Certification through an organization such as **SOCIETY FOR HUMAN RESOURCES MANAGEMENT (SHRM)**, or other Certifying Human Resources Organization.

- 1) Within the University of Hawai‘i, it appears that every Campus, every College, every Department are inconsistent in their policies and protocols regarding Human Resources. PLUS, Human Resources needs to keep up with a 21<sup>st</sup> Century workforce. The University of Hawai‘i is required to diversify its funding to become less dependent on legislative appropriations and alleviate the financial cost to the public, UH has raised record setting extramural funding through external grants and contracts. However, HR departments throughout the system have consistently struggled to keep pace with current personnel practices, creating a greater reliance on outsourcing work and over-burdening existing staff. The great resignation in the pandemic coupled with managerial decisions to cut back on staff positions have resulted in a reduced workforce with more untracked duties to manage these additional resources. The great resignation in the pandemic coupled with managerial decisions to cut back on staff positions have resulted in a reduced workforce with more untracked duties to manage these additional resources;
- 2) During the 1980’s, a former Vice President for Administration decided every Campus/College/Department should decide on their own how to handle human resources issues. However, the protocol issues regarding HR then, became inconsistent;
- 3) Human Resources’ inconsistent decisions may likely affect an Employee’s Vacation Leave, Sick Leave, Promotion and Retirement. There are Federal and State Laws that need to reviewed and followed or risk a possible fine for violations of Federal and State laws and protocols;

4) Although Human Resources Personnel are not presently required to be certified with an industry credential, consistency in following Federal and State Laws in regards to Human Resources is necessary for both Managers and Staff. Frankly, Federal and State Laws do keep changing;

5) Additionally, Fiscal Administrators, also need to be certified, such as Certified Public Accountant (CPA), along with ongoing professional development to ensure consistent and accurate decisions are made in these roles of authority. Through **ADVANCE GROW ASSOCIATION (AGA)** a Certification is offered for **CERTIFIED GOVERNMENT FINANCIAL MANAGER (CGFM)**.

When Certification of Human Resources Personnel is required, the result, can be fairer, and equitable labor practices as the University expands its responsibilities to secure and manage external funds. A **SHRM** Certification for all HR Personnel is a step forward, as well as a **CGFM** for Fiscal Administrators. Both Fiscal and Human Resources Personnel should be required to attend workshops/Conferences to gain more knowledge in their respective fields. A study of Federal and State Laws will need to be reviewed by Human Resources Personnel and Fiscal Managers before decisions are made;

5) All the State of Hawai'i's Counties will need to review their HR protocols as well to ensure there are issues that are consistent also.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**

AFSCME Local 152, AFL-CIO

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The Thirty-Second Legislature, State of Hawaii  
House of Representatives  
Committee on Labor and Government Operations

Testimony by  
Hawaii Government Employees Association

March 21, 2024

**H.C.R. 78 – REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF  
THE POTENTIAL IMPACTS OF LICENSURE AND REGULATION OF CERTAIN  
HUMAN RESOURCES MANAGEMENT PERSONNEL**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.C.R. 78, which request the auditor to conduct a sunrise review of the potential impacts of licensure and regulation of certain human resources management personnel.

Human resource professionals play a vital role in the administration and management of employee benefits, labor relations, recruitment and retention, among others. On a micro-scale, the decisions of human resource professionals have a direct impact on an employee's livelihood. On a macro-scale, their decisions drive the State's ability to recruit and retain a qualified workforce to serve and address the needs of the public. All public employees utilize and are affected by this resource, and they should be assured that the services they receive are provided by qualified human resource professionals who follow consistent professional standards. Therefore, we find it appropriate for the state auditor to study the impact of a licensure requirement for certain human resources personnel and defer to the sunrise bill (H.B. 1646, 2024) for more information on what could be studied.

Thank you for the opportunity to testify in support of H.C.R 78.

Respectfully submitted,

  
Randy Perreira  
Executive Director