
A BILL FOR AN ACT

RELATING TO EMPLOYMENT OF RETIRANTS.

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

1 SECTION 1. The legislature finds that the department of
2 education continues to face a critical shortage of qualified
3 teachers and educational officers, particularly in hard-to-staff
4 geographic regions and specialized subject areas. The
5 legislature further finds that this chronic shortage denies
6 students consistent, high-quality instruction and places an
7 immense burden on existing school staff.

8 The legislature also finds that to address these vacancies,
9 the State has increasingly relied on emergency hires and the
10 recruitment of teachers from foreign countries through the J-1
11 visa program. While these teachers provide a necessary stopgap,
12 the legislature notes that the J-1 visa program is inherently
13 temporary, creating a "revolving door" of turnover that disrupts
14 student learning and requires continuous recruitment resources.

15 The legislature recognizes that while retired teachers are
16 eligible to return as substitute teachers, the current
17 compensation structure for substitutes often fails to adequately



1 recognize their professional credentials. Because substitute
2 pay is generally standardized, highly qualified retirees are
3 disincentivized from returning, as the compensation does not
4 reflect their expert status compared to non-credentialed
5 substitutes.

6 The legislature believes that re-engaging these retirees is
7 a fiscal opportunity. By creating a structured pilot program,
8 the State can fill critical vacancies with experienced local
9 talent while strengthening the employees' retirement system.
10 Under this system, the department of education will contribute
11 the employer's share of the unfunded actuarial accrued liability
12 for each rehired retiree, paying down state debt without
13 incurring new pension obligations. Furthermore, the State will
14 realize cost savings by statutorily excluding these positions
15 from active recruitment into the Hawaii employer-union health
16 benefits trust fund.

17 Accordingly, the purpose of this Act is to establish a
18 five-year critical skills retention pilot program within the
19 department of education to authorize the rehiring of retired
20 educators for hard-to-staff positions.



1 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
2 amended by adding a new section to part III, subpart B, to be
3 appropriately designated and to read as follows:

4 **§302A- Critical skills retention pilot program.** (a)

5 There is established within the department the critical skills
6 retention pilot program. The purpose of the pilot program shall
7 be to authorize the department to employ retirants under section
8 88-9(d)(6).

9 (b) A retirant may be employed without reenrollment in the
10 employees' retirement system and suffer no loss or interruption
11 of benefits provided under chapters 87A and 88 if the retirant
12 is employed under this section.

13 (c) Before employing or reemploying a retirant under this
14 section, the superintendent shall certify in writing that:

15 (1) Either:

16 (A) The department has conducted a good-faith
17 recruitment effort for the position; or

18 (B) The position falls within a licensure area or
19 geographic complex designated by the
20 superintendent as having a systemic shortage
21 where continuous recruitment has failed to



1 produce a sufficient number of qualified non-
2 retiree applicants; and

3 (2) No qualified and available non-retirant applicant
4 could be identified to fill the vacancy.

5 The superintendent shall establish internal procedures to verify
6 the certifications, ensuring that the program supplements,
7 rather than supplants, the permanent workforce.

8 (d) Employment of any retirant by the department shall be
9 limited to employment in positions:

10 (1) Eligible for a hard-to-staff location differential;

11 (2) Eligible for a special education differential;

12 (3) Eligible for a Hawaiian language immersion
13 differential;

14 (4) Eligible for another differential of an annual amount
15 of \$3,000 or more as established by the department;

16 (5) In an area where the percentage of unlicensed
17 individuals employed as emergency hires pursuant to
18 sections 302A-801 to 302A-808 exceeds per cent of
19 all public school teachers in that area; or

20 (6) Identified by the superintendent as a hard-to-staff
21 position.

1 (e) No retirent employed under this section shall have:

2 (1) Been employed by the State or a county during the
3 twelve calendar months prior to the first day of
4 reemployment, except as provided under subsection (i);
5 or

6 (2) Entered into an agreement with the State or a county
7 prior to retiring.

8 (f) The department shall contribute the required
9 percentage of compensation to amortize the employees' retirement
10 system's unfunded actuarial accrued liability.

11 (g) The retirent shall not earn additional service credit
12 or contribute to the pension accumulation fund established under
13 section 88-114.

14 (h) The retirent shall be included in the appropriate
15 bargaining unit under section 89-6 for the payment of dues and
16 grievance protections, but shall be excluded from tenure and
17 promotion provisions.

18 (i) The retirent's term of employment shall not exceed one
19 year; provided that the retirent may be reappointed to
20 additional one-year terms if, before each reappointment:



1 (1) The requirements under subsection (c) are satisfied
2 again; and
3 (2) The position continues to satisfy the qualifications
4 under subsection (d) .
5 (j) The superintendent may establish a salary schedule for
6 retirants employed by the department that differs from the
7 applicable collective bargaining agreement negotiated under
8 chapter 89; provided that the salary of the retirant shall not
9 exceed the maximum salary step for the position's classification
10 in the collective bargaining agreement.

11 (k) For purposes of this section, "retirant" has the same
12 meaning as defined under section 88-21."

13 SECTION 3. Section 76-16, Hawaii Revised Statutes, is
14 amended by amending subsection (b) to read as follows:

15 "(b) The civil service to which this chapter applies shall
16 comprise all positions in the State now existing or hereafter
17 established and embrace all personal services performed for the
18 State, except the following:

19 (1) Commissioned and enlisted personnel of the Hawaii
20 National Guard and positions in the Hawaii National
21 Guard that are required by state or federal laws or



1 regulations or orders of the National Guard to be
2 filled from those commissioned or enlisted personnel;

3 (2) Positions filled by persons employed by contract where
4 the director of human resources development has
5 certified that the service is special or unique or is
6 essential to the public interest and that, because of
7 circumstances surrounding its fulfillment, personnel
8 to perform the service cannot be obtained through
9 normal civil service recruitment procedures. Any
10 contract may be for any period not exceeding one year;

11 (3) Positions that must be filled without delay to comply
12 with a court order or decree if the director
13 determines that recruitment through normal recruitment
14 civil service procedures would result in delay or
15 noncompliance, such as the Felix-Cayetano consent
16 decree;

17 (4) Positions filled by the legislature or by either house
18 or any committee thereof;

19 (5) Employees in the office of the governor and office of
20 the lieutenant governor, and household employees at
21 Washington Place;





1 clerks for the civil administrative judge of the
2 circuit court of the first circuit, two additional law
3 clerks for the criminal administrative judge of the
4 circuit court of the first circuit, one additional law
5 clerk for the senior judge of the family court of the
6 first circuit, two additional law clerks for the civil
7 motions judge of the circuit court of the first
8 circuit, two additional law clerks for the criminal
9 motions judge of the circuit court of the first
10 circuit, and two law clerks for the administrative
11 judge of the district court of the first circuit; and
12 one private secretary for the administrative director
13 of the courts, the deputy administrative director of
14 the courts, each department head, each deputy or first
15 assistant, and each additional deputy, or assistant
16 deputy, or assistant defined in paragraph (16);
17 (10) First deputy and deputy attorneys general, the
18 administrative services manager of the department of
19 the attorney general, one secretary for the
20 administrative services manager, an administrator and
21 any support staff for the criminal and juvenile



1 justice resources coordination functions, and law
2 clerks;

3 (11) (A) Teachers, principals, vice-principals, complex
4 area superintendents, deputy and assistant
5 superintendents, other certificated personnel,
6 and no more than twenty noncertificated
7 administrative, professional, and technical
8 personnel not engaged in instructional work;

9 (B) Effective July 1, 2003, teaching assistants,
10 educational assistants, bilingual or bicultural
11 school-home assistants, school psychologists,
12 psychological examiners, speech pathologists,
13 athletic health care trainers, alternative school
14 work study assistants, alternative school
15 educational or supportive services specialists,
16 alternative school project coordinators, and
17 communications aides in the department of
18 education;

19 (C) The special assistant to the state librarian and
20 one secretary for the special assistant to the
21 state librarian; and



1 (D) Members of the faculty of the university of
2 Hawaii, including research workers, extension
3 agents, personnel engaged in instructional work,
4 and administrative, professional, and technical
5 personnel of the university;

6 (12) Employees engaged in special, research, or
7 demonstration projects approved by the governor;

8 (13) (A) Positions filled by inmates, patients of state
9 institutions, and persons with severe physical or
10 mental disabilities participating in the work
11 experience training programs;

12 (B) Positions filled with students in accordance with
13 guidelines for established state employment
14 programs; and

15 (C) Positions that provide work experience training
16 or temporary public service employment that are
17 filled by persons entering the workforce or
18 persons transitioning into other careers under
19 programs such as the federal Workforce Investment
20 Act of 1998, as amended, or the Senior Community
21 Service Employment Program of the Employment and





1 human services either in charge of welfare or other
2 functions within the department as may be assigned by
3 the director of human services; four additional
4 deputies in the department of health, each in charge
5 of one of the following: behavioral health,
6 environmental health, hospitals, and health resources
7 administration, including other functions within the
8 department as may be assigned by the director of
9 health, with the approval of the governor; two
10 additional deputies in charge of the law enforcement
11 programs, administration, or other functions within
12 the department of law enforcement as may be assigned
13 by the director of law enforcement, with the approval
14 of the governor; three additional deputies each in
15 charge of the correctional institutions,
16 rehabilitation services and programs, and
17 administration or other functions within the
18 department of corrections and rehabilitation as may be
19 assigned by the director of corrections and
20 rehabilitation, with the approval of the governor; two
21 administrative assistants to the state librarian; and



5 (A) Any exemption created after July 1, 2014, shall
6 expire three years after its enactment unless
7 affirmatively extended by an act of the
8 legislature; and

9 (B) All of the positions defined by paragraph (9)
10 shall be included in the position classification
11 plan;

12 (18) Positions in the state foster grandparent program and
13 positions for temporary employment of senior citizens
14 in occupations in which there is a severe personnel
15 shortage or in special projects;

16 (19) Household employees at the official residence of the
17 president of the university of Hawaii;

18 (20) Employees in the department of education engaged in
19 the supervision of students during meal periods in the
20 distribution, collection, and counting of meal





1 (27) In the Hawaii state energy office in the department of
2 business, economic development, and tourism, all
3 energy program managers, energy program specialists,
4 energy program assistants, and energy analysts;

5 (28) Administrative appeals hearing officers in the
6 department of human services;

7 (29) In the Med-QUEST division of the department of human
8 services, the division administrator, finance officer,
9 health care services branch administrator, medical
10 director, and clinical standards administrator;

11 (30) In the director's office of the department of human
12 services, the enterprise officer, information security
13 and privacy compliance officer, security and privacy
14 compliance engineer, security and privacy compliance
15 analyst, information technology implementation
16 manager, assistant information technology
17 implementation manager, resource manager, community or
18 project development director, policy director, special
19 assistant to the director, and limited English
20 proficiency project manager or coordinator;

- 1 (31) The Alzheimer's disease and related dementia services
- 2 coordinator in the executive office on aging;
- 3 (32) In the Hawaii emergency management agency, the
- 4 executive officer, public information officer, civil
- 5 defense administrative officer, branch chiefs, and
- 6 emergency operations center state warning point
- 7 personnel; provided that for state warning point
- 8 personnel, the director shall determine that
- 9 recruitment through normal civil service recruitment
- 10 procedures would result in delay or noncompliance;
- 11 (33) The executive director and seven full-time
- 12 administrative positions of the school facilities
- 13 authority;
- 14 (34) Positions in the Mauna Kea stewardship and oversight
- 15 authority;
- 16 (35) In the office of homeland security of the department
- 17 of law enforcement, the statewide interoperable
- 18 communications coordinator;
- 19 (36) In the social services division of the department of
- 20 human services, the business technology analyst;
- 21 (37) The executive director and staff of the 911 board;



1 (38) The software developer supervisor and senior software
2 developers in the department of taxation;

3 (39) In the department of law enforcement, five Commission
4 on Accreditation for Law Enforcement Agencies, Inc.,
5 coordinator positions;

6 (40) The state fire marshal and deputy state fire marshal
7 in the office of the state fire marshal;

8 (41) The administrator for the law enforcement standards
9 board;

10 (42) In the office of the director of taxation, the data
11 privacy officer and tax business analysts; [and]

12 [+] (43) [+] All positions filled by the Hawaii tourism
13 authority within the department of business, economic
14 development, and tourism[–]; and

15 (44) Retirants employed under section 302A- .

16 The director shall determine the applicability of this
17 section to specific positions.

18 Nothing in this section shall be deemed to affect the civil
19 service status of any incumbent as it existed on July 1, 1955."

20 SECTION 4. Section 76-77, Hawaii Revised Statutes, is
21 amended to read as follows:



1 **"§76-77 Civil service and exemptions.** The civil service
2 to which this part applies comprises all positions in the public
3 service of each county, now existing or hereafter established,
4 and embraces all personal services performed for each county,
5 except the following:

6 (1) Positions in the office of the mayor; provided that
7 the positions shall be included in the classification
8 systems;

9 (2) Positions of officers elected by public vote,
10 positions of heads of departments, and positions of
11 one first deputy or first assistant of heads of
12 departments;

13 (3) Positions of deputy county attorneys, deputy
14 corporation counsel, deputy prosecuting attorneys, and
15 law clerks;

16 (4) Positions of members of any board, commission, or
17 agency;

18 (5) Positions filled by students; positions filled through
19 federally funded programs that provide temporary
20 public service employment such as the federal
21 Comprehensive Employment and Training Act of 1973; and



1 employees engaged in special research or demonstration
2 projects approved by the mayor, for which projects
3 federal funds are available;

4 (6) Positions of district judges, jurors, and witnesses;

5 (7) Positions filled by persons employed by contract where
6 the personnel director has certified that the service
7 is special or unique, is essential to the public
8 interest, and that because of the circumstances
9 surrounding its fulfillment, personnel to perform the
10 service cannot be recruited through normal civil
11 service procedures; provided that no contract pursuant
12 to this paragraph shall be for any period exceeding
13 one year[+], except for contracts authorized under
14 section 302A- ;

15 (8) Positions of a temporary nature needed in the public
16 interest where the need does not exceed ninety days;
17 provided that before any person may be employed to
18 render temporary service pursuant to this paragraph,
19 the director shall certify that the service is of a
20 temporary nature and that recruitment through normal
21 civil service recruitment procedures is not



1 practicable; and provided further that the employment
2 of any person pursuant to this paragraph may be
3 extended for good cause for an additional period not
4 to exceed ninety days upon similar certification by
5 the director;

6 (9) Positions of temporary election clerks in the office
7 of the county clerk employed during election periods;

8 (10) Positions specifically exempted from this part by any
9 other state statutes;

10 (11) Positions of one private secretary for each department
11 head; provided that the positions shall be included in
12 the classification systems;

13 (12) Positions filled by persons employed on a fee,
14 contract, or piecework basis who may lawfully perform
15 their duties concurrently with their private business
16 or profession or other private employment, if any, and
17 whose duties require only a portion of their time,
18 where it is impracticable to ascertain or anticipate
19 the portion of time devoted to the service of the
20 county and that fact is certified by the director;





9 The director shall determine the applicability of this
10 section to specific positions and shall determine whether or not
11 positions exempted by paragraphs (7) and (8) shall be included
12 in the classification systems.

13 Nothing in this section shall be deemed to affect the civil
14 service status of any incumbent private secretary of a
15 department head who held that position on May 7, 1977."

16 SECTION 5. Section 87A-1, Hawaii Revised Statutes, is
17 amended by amending the definition of "employee-beneficiary" to
18 read as follows:

19 ""Employee-beneficiary" means:
20 (1) An employee;





1 provided that the employee, the employee's beneficiary, or the
2 beneficiary of the deceased retired employee is deemed eligible
3 by the board to participate in a health benefits plan or
4 long-term care benefits plan under this chapter.

5 "Employee-beneficiary" shall not include any retirant
6 employed under section 302A- during the retirant's employment
7 under that section."

8 SECTION 6. Section 88-9, Hawaii Revised Statutes, is
9 amended by amending subsection (d) to read as follows:

10 "(d) A retirant may be employed without reenrollment in
11 the system and suffer no loss or interruption of benefits
12 provided by the system or under chapter 87A if the retirant is
13 employed:

14 (1) As an elective officer pursuant to section 88-42.6(c)
15 or as a member of the legislature pursuant to section
16 88-73 (d);

17 (2) As a juror or precinct official;

18 (3) As a part-time or temporary employee excluded from
19 membership in the system pursuant to section 88-43, as
20 a session employee excluded from membership in the
21 system pursuant to section 88-54.2[+], [+] or as any



1 other employee expressly excluded by law from
2 membership in the system; provided that:
3 (A) The retirant was not employed by the State or a
4 county during the six calendar months prior to
5 the first day of reemployment; and
6 (B) No agreement was entered into between the State
7 or a county and the retirant, prior to the
8 retirement of the retirant, for the return to
9 work by the retirant after retirement;
10 (4) In a position identified by the appropriate
11 jurisdiction as a labor shortage or difficult-to-fill
12 position; provided that:
13 (A) The retirant was not employed by the State or a
14 county during the twelve calendar months prior to
15 the first day of reemployment;
16 (B) No agreement was entered into between the State
17 or a county and the retirant, prior to the
18 retirement of the retirant, for the return to
19 work by the retirant after retirement; and
20 (C) Each employer shall contribute to the pension
21 accumulation fund the required percentage of the



1 rehired retireant's compensation to amortize the
2 system's unfunded actuarial accrued liability;
3 [ər]

4 (5) As a teacher or an administrator in a teacher shortage
5 area identified by the department of education or in a
6 charter school or as a mentor for new classroom
7 teachers; provided that:

11 (B) No agreement was entered into between the State
12 or a county and the retirant prior to the
13 retirement of the retirant, for the return to
14 work by the retirant after retirement; and

15 (C) The department of education or charter school
16 shall contribute to the pension accumulation fund
17 the required percentage of the rehired retirant's
18 compensation to amortize the system's unfunded
19 actuarial accrued liability[.]; or

20 (6) In a position under section 302A- ."



1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect on July 1, 3000;
4 provided that on June 30, 2031, this Act shall be repealed and
5 sections 76-16, 76-77, 87A-1, and 88-9, Hawaii Revised Statutes,
6 shall be reenacted in the form in which they read on the day
7 prior to the effective date of this Act.



Report Title:

DOE; Hard-to-Staff Positions; Pilot Program; Employment; Retirants

Description:

Establishes a 5-year pilot program to authorize the Department of Education to rehire retired teachers and educational officers for hard-to-staff positions. Repeals 6/30/2031. Effective 7/1/3000. (HD1)

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