
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 retirant employed under this section shall have:
- 2 (1) Been employed by the State or a county during the
- 3 twelve calendar months before the first day of
- 4 reemployment, except as provided under subsection (h);
- 5 or
- 6 (2) Entered into an agreement with the State or a county
- 7 before 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 retirant shall not earn additional service credit
- 12 or contribute to the pension accumulation fund established under
- 13 section 88-114.
- 14 (h) The retirant's term of employment shall not exceed one
- 15 year; provided that the retirant may be reappointed to
- 16 additional one-year terms if, before each reappointment:
- 17 (1) The requirements under subsection (c) are satisfied
- 18 again; and
- 19 (2) The position continues to satisfy the qualifications
- 20 under subsection (d).



1 (i) For purposes of this section, "retirant" has the same
2 meaning as in section 88-21."

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

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

9 (1) Commissioned and enlisted personnel of the Hawaii
10 National Guard and positions in the Hawaii National
11 Guard that are required by state or federal laws or
12 regulations or orders of the National Guard to be
13 filled from those commissioned or enlisted personnel;

14 (2) Positions filled by persons employed by contract where
15 the director of human resources development has
16 certified that the service is special or unique or is
17 essential to the public interest and that, because of
18 circumstances surrounding its fulfillment, personnel
19 to perform the service cannot be obtained through
20 normal civil service recruitment procedures. Any
21 contract may be for any period not exceeding one year;



- 1 (3) Positions that must be filled without delay to comply
2 with a court order or decree if the director
3 determines that recruitment through normal recruitment
4 civil service procedures would result in delay or
5 noncompliance, such as the Felix-Cayetano consent
6 decree;
- 7 (4) Positions filled by the legislature or by either house
8 or any committee thereof;
- 9 (5) Employees in the office of the governor and office of
10 the lieutenant governor, and household employees at
11 Washington Place;
- 12 (6) Positions filled by popular vote;
- 13 (7) Department heads, officers, and members of any board,
14 commission, or other state agency whose appointments
15 are made by the governor or are required by law to be
16 confirmed by the senate;
- 17 (8) Judges, referees, receivers, masters, jurors, notaries
18 public, land court examiners, court commissioners, and
19 attorneys appointed by a state court for a special
20 temporary service;



1 (9) One bailiff for the chief justice of the supreme court
2 who shall have the powers and duties of a court
3 officer and bailiff under section 606-14; one
4 secretary or clerk for each justice of the supreme
5 court, each judge of the intermediate appellate court,
6 and each judge of the circuit court; one secretary for
7 the judicial council; one deputy administrative
8 director of the courts; three law clerks for the chief
9 justice of the supreme court, two law clerks for each
10 associate justice of the supreme court and each judge
11 of the intermediate appellate court, one law clerk for
12 each judge of the circuit court, two additional law
13 clerks for the civil administrative judge of the
14 circuit court of the first circuit, two additional law
15 clerks for the criminal administrative judge of the
16 circuit court of the first circuit, one additional law
17 clerk for the senior judge of the family court of the
18 first circuit, two additional law clerks for the civil
19 motions judge of the circuit court of the first
20 circuit, two additional law clerks for the criminal
21 motions judge of the circuit court of the first



1 circuit, and two law clerks for the administrative
2 judge of the district court of the first circuit; and
3 one private secretary for the administrative director
4 of the courts, the deputy administrative director of
5 the courts, each department head, each deputy or first
6 assistant, and each additional deputy, or assistant
7 deputy, or assistant defined in paragraph (16);

8 (10) First deputy and deputy attorneys general, the
9 administrative services manager of the department of
10 the attorney general, one secretary for the
11 administrative services manager, an administrator and
12 any support staff for the criminal and juvenile
13 justice resources coordination functions, and law
14 clerks;

15 (11) (A) Teachers, principals, vice-principals, complex
16 area superintendents, deputy and assistant
17 superintendents, other certificated personnel,
18 and no more than twenty noncertificated
19 administrative, professional, and technical
20 personnel not engaged in instructional work;



- 1 (B) Effective July 1, 2003, teaching assistants,
2 educational assistants, bilingual or bicultural
3 school-home assistants, school psychologists,
4 psychological examiners, speech pathologists,
5 athletic health care trainers, alternative school
6 work study assistants, alternative school
7 educational or supportive services specialists,
8 alternative school project coordinators, and
9 communications aides in the department of
10 education;
- 11 (C) The special assistant to the state librarian and
12 one secretary for the special assistant to the
13 state librarian; and
- 14 (D) Members of the faculty of the university of
15 Hawaii, including research workers, extension
16 agents, personnel engaged in instructional work,
17 and administrative, professional, and technical
18 personnel of the university;
- 19 (12) Employees engaged in special, research, or
20 demonstration projects approved by the governor;



- 1 (13) (A) Positions filled by inmates, patients of state
2 institutions, and persons with severe physical or
3 mental disabilities participating in the work
4 experience training programs;
- 5 (B) Positions filled with students in accordance with
6 guidelines for established state employment
7 programs; and
- 8 (C) Positions that provide work experience training
9 or temporary public service employment that are
10 filled by persons entering the workforce or
11 persons transitioning into other careers under
12 programs such as the federal Workforce Investment
13 Act of 1998, as amended, or the Senior Community
14 Service Employment Program of the Employment and
15 Training Administration of the United States
16 Department of Labor, or under other similar state
17 programs;
- 18 (14) A custodian or guide at Iolani Palace, the Royal
19 Mausoleum, and Hulihee Palace;
- 20 (15) Positions filled by persons employed on a fee,
21 contract, or piecework basis, who may lawfully perform



1 their duties concurrently with their private business
2 or profession or other private employment and whose
3 duties require only a portion of their time, if it is
4 impracticable to ascertain or anticipate the portion
5 of time to be devoted to the service of the State;
6 (16) Positions of first deputies or first assistants of
7 each department head appointed under or in the manner
8 provided in section 6, article V, of the Hawaii State
9 Constitution; three additional deputies or assistants
10 either in charge of the highways, harbors, and
11 airports divisions or other functions within the
12 department of transportation as may be assigned by the
13 director of transportation, with the approval of the
14 governor; one additional deputy in the department of
15 human services either in charge of welfare or other
16 functions within the department as may be assigned by
17 the director of human services; four additional
18 deputies in the department of health, each in charge
19 of one of the following: behavioral health,
20 environmental health, hospitals, and health resources
21 administration, including other functions within the



1 department as may be assigned by the director of
2 health, with the approval of the governor; two
3 additional deputies in charge of the law enforcement
4 programs, administration, or other functions within
5 the department of law enforcement as may be assigned
6 by the director of law enforcement, with the approval
7 of the governor; three additional deputies each in
8 charge of the correctional institutions,
9 rehabilitation services and programs, and
10 administration or other functions within the
11 department of corrections and rehabilitation as may be
12 assigned by the director of corrections and
13 rehabilitation, with the approval of the governor; two
14 administrative assistants to the state librarian; and
15 an administrative assistant to the superintendent of
16 education;

17 (17) Positions specifically exempted from this part by any
18 other law; provided that:

19 (A) Any exemption created after July 1, 2014, shall
20 expire three years after its enactment unless



- 1 affirmatively extended by an act of the
2 legislature; and
- 3 (B) All of the positions defined by paragraph (9)
4 shall be included in the position classification
5 plan;
- 6 (18) Positions in the state foster grandparent program and
7 positions for temporary employment of senior citizens
8 in occupations in which there is a severe personnel
9 shortage or in special projects;
- 10 (19) Household employees at the official residence of the
11 president of the university of Hawaii;
- 12 (20) Employees in the department of education engaged in
13 the supervision of students during meal periods in the
14 distribution, collection, and counting of meal
15 tickets, and in the cleaning of classrooms after
16 school hours on a less than half-time basis;
- 17 (21) Employees hired under the tenant hire program of the
18 Hawaii public housing authority; provided that no more
19 than twenty-six per cent of the authority's workforce
20 in any housing project maintained or operated by the



- 1 authority shall be hired under the tenant hire
2 program;
- 3 (22) Positions of the federally funded expanded food and
4 nutrition program of the university of Hawaii that
5 require the hiring of nutrition program assistants who
6 live in the areas they serve;
- 7 (23) Positions filled by persons with severe disabilities
8 who are certified by the state vocational
9 rehabilitation office that they are able to perform
10 safely the duties of the positions;
- 11 (24) The sheriff;
- 12 (25) A gender and other fairness coordinator hired by the
13 judiciary;
- 14 (26) Positions in the Hawaii National Guard youth and adult
15 education programs;
- 16 (27) In the Hawaii state energy office in the department of
17 business, economic development, and tourism, all
18 energy program managers, energy program specialists,
19 energy program assistants, and energy analysts;
- 20 (28) Administrative appeals hearing officers in the
21 department of human services;



- 1 (29) In the Med-QUEST division of the department of human
2 services, the division administrator, finance officer,
3 health care services branch administrator, medical
4 director, and clinical standards administrator;
- 5 (30) In the director's office of the department of human
6 services, the enterprise officer, information security
7 and privacy compliance officer, security and privacy
8 compliance engineer, security and privacy compliance
9 analyst, information technology implementation
10 manager, assistant information technology
11 implementation manager, resource manager, community or
12 project development director, policy director, special
13 assistant to the director, and limited English
14 proficiency project manager or coordinator;
- 15 (31) The Alzheimer's disease and related dementia services
16 coordinator in the executive office on aging;
- 17 (32) In the Hawaii emergency management agency, the
18 executive officer, public information officer, civil
19 defense administrative officer, branch chiefs, and
20 emergency operations center state warning point
21 personnel; provided that for state warning point



- 1 personnel, the director shall determine that
- 2 recruitment through normal civil service recruitment
- 3 procedures would result in delay or noncompliance;
- 4 (33) The executive director and seven full-time
- 5 administrative positions of the school facilities
- 6 authority;
- 7 (34) Positions in the Mauna Kea stewardship and oversight
- 8 authority;
- 9 (35) In the office of homeland security of the department
- 10 of law enforcement, the statewide interoperable
- 11 communications coordinator;
- 12 (36) In the social services division of the department of
- 13 human services, the business technology analyst;
- 14 (37) The executive director and staff of the 911 board;
- 15 (38) The software developer supervisor and senior software
- 16 developers in the department of taxation;
- 17 (39) In the department of law enforcement, five Commission
- 18 on Accreditation for Law Enforcement Agencies, Inc.,
- 19 coordinator positions;
- 20 (40) The state fire marshal and deputy state fire marshal
- 21 in the office of the state fire marshal;



1 (41) The administrator for the law enforcement standards
2 board;

3 (42) In the office of the director of taxation, the data
4 privacy officer and tax business analysts; [~~and~~

5 +] (43) [+] All positions filled by the Hawaii tourism
6 authority within the department of business, economic
7 development, and tourism[~~-~~]; and

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

9 The director shall determine the applicability of this
10 section to specific positions.

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

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

15 "**§76-77 Civil service and exemptions.** The civil service
16 to which this part applies comprises all positions in the public
17 service of each county, now existing or hereafter established,
18 and embraces all personal services performed for each county,
19 except the following:



- 1 (1) Positions in the office of the mayor; provided that
2 the positions shall be included in the classification
3 systems;
- 4 (2) Positions of officers elected by public vote,
5 positions of heads of departments, and positions of
6 one first deputy or first assistant of heads of
7 departments;
- 8 (3) Positions of deputy county attorneys, deputy
9 corporation counsel, deputy prosecuting attorneys, and
10 law clerks;
- 11 (4) Positions of members of any board, commission, or
12 agency;
- 13 (5) Positions filled by students; positions filled through
14 federally funded programs that provide temporary
15 public service employment such as the federal
16 Comprehensive Employment and Training Act of 1973; and
17 employees engaged in special research or demonstration
18 projects approved by the mayor, for which projects
19 federal funds are available;
- 20 (6) Positions of district judges, jurors, and witnesses;



- 1 (7) Positions filled by persons employed by contract where
2 the personnel director has certified that the service
3 is special or unique, is essential to the public
4 interest, and that because of the circumstances
5 surrounding its fulfillment, personnel to perform the
6 service cannot be recruited through normal civil
7 service procedures; provided that no contract pursuant
8 to this paragraph shall be for any period exceeding
9 one year[+], except for contracts authorized under
10 section 302A- ;
- 11 (8) Positions of a temporary nature needed in the public
12 interest where the need does not exceed ninety days;
13 provided that before any person may be employed to
14 render temporary service pursuant to this paragraph,
15 the director shall certify that the service is of a
16 temporary nature and that recruitment through normal
17 civil service recruitment procedures is not
18 practicable; and provided further that the employment
19 of any person pursuant to this paragraph may be
20 extended for good cause for an additional period not



- 1 to exceed ninety days upon similar certification by
2 the director;
- 3 (9) Positions of temporary election clerks in the office
4 of the county clerk employed during election periods;
- 5 (10) Positions specifically exempted from this part by any
6 other state statutes;
- 7 (11) Positions of one private secretary for each department
8 head; provided that the positions shall be included in
9 the classification systems;
- 10 (12) Positions filled by persons employed on a fee,
11 contract, or piecework basis who may lawfully perform
12 their duties concurrently with their private business
13 or profession or other private employment, if any, and
14 whose duties require only a portion of their time,
15 where it is impracticable to ascertain or anticipate
16 the portion of time devoted to the service of the
17 county and that fact is certified by the director;
- 18 (13) Positions filled by persons with a severe disability
19 who are certified by the state vocational
20 rehabilitation office as able to safely perform the
21 duties of the positions;



- 1 (14) Positions of the housing and community development
2 office or department of each county; provided that
3 this exemption shall not preclude each county from
4 establishing these positions as civil service
5 positions;
- 6 (15) The following positions in the office of the
7 prosecuting attorney: private secretary to the
8 prosecuting attorney, secretary to the first deputy
9 prosecuting attorney, and administrative or executive
10 assistants to the prosecuting attorney; provided that
11 the positions shall be included in the classification
12 systems; and
- 13 (16) Positions or contracts for personal services with
14 private persons or entities for services lasting no
15 longer than one year and at a cost of no more than
16 \$750,000; provided that the exemption under this
17 paragraph shall apply to contracts for building,
18 custodial, and grounds maintenance services with
19 qualified community rehabilitation programs, as
20 defined in section 103D-1001, lasting for no longer
21 than a year and at a cost of no more than \$3,000,000



1 in the aggregate per private person or entity,
2 regardless of the number of contracts or qualified
3 community rehabilitation programs utilized for the
4 personal service.

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

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

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

15 ""Employee-beneficiary" means:

16 (1) An employee;

17 (2) The beneficiary of an employee who is killed in the
18 performance of the employee's duty, including:

19 (A) The surviving child, if there is no surviving
20 parent who is eligible to be an employee-



1 beneficiary and the child is unmarried and under
2 the limiting age as defined by the board; and
3 (B) The surviving spouse, if the surviving spouse
4 does not subsequently remarry;
5 (3) An employee who retired prior to 1961; and
6 (4) The beneficiary of a retired member of the employees'
7 retirement system; a county pension system; or a
8 police, firefighters, or bandsmen pension system of
9 the State or a county, upon the death of the retired
10 member, including:
11 (A) The surviving child, if there is no surviving
12 parent who is eligible to be an employee-
13 beneficiary and the child is unmarried and under
14 the limiting age as defined by the board; and
15 (B) The surviving spouse, if the surviving spouse
16 does not subsequently remarry;
17 provided that the employee, the employee's beneficiary, or the
18 beneficiary of the deceased retired employee is deemed eligible
19 by the board to participate in a health benefits plan or
20 long-term care benefits plan under this chapter.



1 "Employee-beneficiary" does not include any retirant
2 employed under section 302A- during the retirant's employment
3 under that section for employee-beneficiaries hired after June
4 30, 2026."

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

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

- 11 (1) As an elective officer pursuant to section 88-42.6(c)
12 or as a member of the legislature pursuant to section
13 88-73(d);
- 14 (2) As a juror or precinct official;
- 15 (3) As a part-time or temporary employee excluded from
16 membership in the system pursuant to section 88-43, as
17 a session employee excluded from membership in the
18 system pursuant to section 88-54.2[+], [+] or as any
19 other employee expressly excluded by law from
20 membership in the system; provided that:



1 (A) The retirant was not employed by the State or a
2 county during the six calendar months prior to
3 the first day of reemployment; and

4 (B) No agreement was entered into between the State
5 or a county and the retirant, prior to the
6 retirement of the retirant, for the return to
7 work by the retirant after retirement;

8 (4) In a position identified by the appropriate
9 jurisdiction as a labor shortage or difficult-to-fill
10 position; provided that:

11 (A) The retirant was not employed by the State or a
12 county during the twelve calendar months prior to
13 the first day of reemployment;

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

18 (C) Each employer shall contribute to the pension
19 accumulation fund the required percentage of the
20 rehired retirant's compensation to amortize the



1 system's unfunded actuarial accrued liability;

2 [~~or~~]

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

7 (A) The retirant was not employed by the State or a
8 county during the twelve calendar months prior to
9 the first day of reemployment;

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

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

19 (6) In a position under section 302A- ; provided that:

1 (A) The retirant was not employed by the State or a
2 county during the twelve calendar months before
3 the first day of reemployment;

4 (B) No agreement was entered into between the State
5 or a county and the retirant before the
6 retirement of the retirant, for the return to
7 work by the retirant after retirement; and

8 (C) Each employer shall contribute to the pension
9 accumulation fund the required percentage of the
10 rehired retirant's compensation to amortize the
11 system's unfunded actuarial accrued liability."

12 SECTION 7. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun before its effective date.

15 SECTION 8. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 9. This Act shall take effect on July 1, 3000;
18 provided that on June 30, 2031, this Act shall be repealed and
19 sections 76-16, 76-77, 87A-1, and 88-9, Hawaii Revised Statutes,
20 shall be reenacted in the form in which they read on the day



1 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. (HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

