
A BILL FOR AN ACT

RELATING TO RETIRANTS.

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

1 SECTION 1. The legislature finds that the State faces
2 persistent workforce shortages in key technical and specialized
3 positions. Retired state employees who possess institutional
4 knowledge are often best suited to quickly fill these gaps.
5 However, retirants are currently limited to short-term,
6 eighty-nine-day contracts when returning to public employment.
7 This creates constant administrative turnover, prevents
8 long-term project management, and discourages retirees from
9 returning to work for the State.

10 Accordingly, the purpose of this Act is to establish a
11 cost-neutral or cost-saving five-year pilot program to allow the
12 State to rehire retirants into hard-to-staff positions for terms
13 longer than eighty-nine days.

14 SECTION 2. Section 76-16, Hawaii Revised Statutes, is
15 amended by amending subsection (b) to read as follows:

16 "(b) The civil service to which this chapter applies shall
17 comprise all positions in the State now existing or hereafter



1 established and embrace all personal services performed for the
2 State, except the following:

- 3 (1) Commissioned and enlisted personnel of the Hawaii
4 [~~National Guard~~] national guard and positions in the
5 Hawaii [~~National Guard~~] national guard that are
6 required by state or federal laws or regulations or
7 orders of the National Guard to be filled from those
8 commissioned or enlisted personnel;
- 9 (2) Positions filled by persons employed by contract where
10 the director of human resources development has
11 certified that the service is special or unique or is
12 essential to the public interest and that, because of
13 circumstances surrounding its fulfillment, personnel
14 to perform the service cannot be obtained through
15 normal civil service recruitment procedures. . Any
16 contract may be for any period not exceeding one year;
- 17 (3) Positions that must be filled without delay to comply
18 with a court order or decree if the director
19 determines that recruitment through normal recruitment
20 civil service procedures would result in delay or



- 1 noncompliance, such as the Felix-Cayetano consent
2 decree;
- 3 (4) Positions filled by the legislature or by either house
4 or any committee thereof;
- 5 (5) Employees in the office of the governor and office of
6 the lieutenant governor, and household employees at
7 Washington Place;
- 8 (6) Positions filled by popular vote;
- 9 (7) Department heads, officers, and members of any board,
10 commission, or other state agency whose appointments
11 are made by the governor or are required by law to be
12 confirmed by the senate;
- 13 (8) Judges, referees, receivers, masters, jurors, notaries
14 public, land court examiners, court commissioners, and
15 attorneys appointed by a state court for a special
16 temporary service;
- 17 (9) One bailiff for the chief justice of the supreme court
18 who shall have the powers and duties of a court
19 officer and bailiff under section 606-14; one
20 secretary or clerk for each justice of the supreme
21 court, each judge of the intermediate appellate court,



1 and each judge of the circuit court; one secretary for
2 the judicial council; one deputy administrative
3 director of the courts; three law clerks for the chief
4 justice of the supreme court, two law clerks for each
5 associate justice of the supreme court and each judge
6 of the intermediate appellate court, one law clerk for
7 each judge of the circuit court, two additional law
8 clerks for the civil administrative judge of the
9 circuit court of the first circuit, two additional law
10 clerks for the criminal administrative judge of the
11 circuit court of the first circuit, one additional law
12 clerk for the senior judge of the family court of the
13 first circuit, two additional law clerks for the civil
14 motions judge of the circuit court of the first
15 circuit, two additional law clerks for the criminal
16 motions judge of the circuit court of the first
17 circuit, and two law clerks for the administrative
18 judge of the district court of the first circuit; and
19 one private secretary for the administrative director
20 of the courts, the deputy administrative director of
21 the courts, each department head, each deputy or first



- 1 assistant, and each additional deputy, or assistant
2 deputy, or assistant defined in paragraph (16);
- 3 (10) First deputy and deputy attorneys general, the
4 administrative services manager of the department of
5 the attorney general, one secretary for the
6 administrative services manager, an administrator and
7 any support staff for the criminal and juvenile
8 justice resources coordination functions, and law
9 clerks;
- 10 (11) (A) Teachers, principals, vice-principals, complex
11 area superintendents, deputy and assistant
12 superintendents, other certificated personnel,
13 and no more than twenty noncertificated
14 administrative, professional, and technical
15 personnel not engaged in instructional work;
- 16 (B) Effective July 1, 2003, teaching assistants,
17 educational assistants, bilingual or bicultural
18 school-home assistants, school psychologists,
19 psychological examiners, speech pathologists,
20 athletic health care trainers, alternative school
21 work study assistants, alternative school



1 educational or supportive services specialists,
2 alternative school project coordinators, and
3 communications aides in the department of
4 education;

5 (C) The special assistant to the state librarian and
6 one secretary for the special assistant to the
7 state librarian; and

8 (D) Members of the faculty of the university of
9 Hawaii, including research workers, extension
10 agents, personnel engaged in instructional work,
11 and administrative, professional, and technical
12 personnel of the university;

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

15 (13) (A) Positions filled by inmates, patients of state
16 institutions, and persons with severe physical or
17 mental disabilities participating in the work
18 experience training programs;

19 (B) Positions filled with students in accordance with
20 guidelines for established state employment
21 programs; and



- 1 (C) Positions that provide work experience training
2 or temporary public service employment that are
3 filled by persons entering the workforce or
4 persons transitioning into other careers under
5 programs such as the federal Workforce Investment
6 Act of 1998, as amended, or the Senior Community
7 Service Employment Program of the Employment and
8 Training Administration of the United States
9 Department of Labor, or under other similar state
10 programs;
- 11 (14) A custodian or guide at Iolani Palace, the Royal
12 Mausoleum, and Hulihee Palace;
- 13 (15) 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 and whose
17 duties require only a portion of their time, if it is
18 impracticable to ascertain or anticipate the portion
19 of time to be devoted to the service of the State;
- 20 (16) Positions of first deputies or first assistants of
21 each department head appointed under or in the manner



1 provided in section 6, article V, of the Hawaii State
2 Constitution; three additional deputies or assistants
3 either in charge of the highways, harbors, and
4 airports divisions or other functions within the
5 department of transportation as may be assigned by the
6 director of transportation, with the approval of the
7 governor; one additional deputy in the department of
8 human services either in charge of welfare or other
9 functions within the department as may be assigned by
10 the director of human services; four additional
11 deputies in the department of health, each in charge
12 of one of the following: behavioral health,
13 environmental health, hospitals, and health resources
14 administration, including other functions within the
15 department as may be assigned by the director of
16 health, with the approval of the governor; two
17 additional deputies in charge of the law enforcement
18 programs, administration, or other functions within
19 the department of law enforcement as may be assigned
20 by the director of law enforcement, with the approval
21 of the governor; three additional deputies each in



1 charge of the correctional institutions,
2 rehabilitation services and programs, and
3 administration or other functions within the
4 department of corrections and rehabilitation as may be
5 assigned by the director of corrections and
6 rehabilitation, with the approval of the governor; two
7 administrative assistants to the state librarian; and
8 an administrative assistant to the superintendent of
9 education;

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

12 (A) Any exemption created after July 1, 2014, shall
13 expire three years after its enactment unless
14 affirmatively extended by an act of the
15 legislature; and

16 (B) All of the positions defined by paragraph (9)
17 shall be included in the position classification
18 plan;

19 (18) Positions in the state foster grandparent program and
20 positions for temporary employment of senior citizens



- 1 in occupations in which there is a severe personnel
2 shortage or in special projects;
- 3 (19) Household employees at the official residence of the
4 president of the university of Hawaii;
- 5 (20) Employees in the department of education engaged in
6 the supervision of students during meal periods in the
7 distribution, collection, and counting of meal
8 tickets, and in the cleaning of classrooms after
9 school hours on a less than half-time basis;
- 10 (21) Employees hired under the tenant hire program of the
11 Hawaii public housing authority; provided that no more
12 than twenty-six per cent of the authority's workforce
13 in any housing project maintained or operated by the
14 authority shall be hired under the tenant hire
15 program;
- 16 (22) Positions of the federally funded expanded food and
17 nutrition program of the university of Hawaii that
18 require the hiring of nutrition program assistants who
19 live in the areas they serve;
- 20 (23) Positions filled by persons with severe disabilities
21 who are certified by the state vocational



- 1 rehabilitation office that they are able to perform
2 safely the duties of the positions;
- 3 (24) The sheriff;
- 4 (25) A gender and other fairness coordinator hired by the
5 judiciary;
- 6 (26) Positions in the Hawaii [~~National Guard~~] national
7 guard youth and adult education programs;
- 8 (27) In the Hawaii state energy office in the department of
9 business, economic development, and tourism, all
10 energy program managers, energy program specialists,
11 energy program assistants, and energy analysts;
- 12 (28) Administrative appeals hearing officers in the
13 department of human services;
- 14 (29) In the [~~Med-QUEST~~] med-QUEST division of the
15 department of human services, the division
16 administrator, finance officer, health care services
17 branch administrator, medical director, and clinical
18 standards administrator;
- 19 (30) In the director's office of the department of human
20 services, the enterprise officer, information security
21 and privacy compliance officer, security and privacy



- 1 compliance engineer, security and privacy compliance
2 analyst, information technology implementation
3 manager, assistant information technology
4 implementation manager, resource manager, community or
5 project development director, policy director, special
6 assistant to the director, and limited English
7 proficiency project manager or coordinator;
- 8 (31) The Alzheimer's disease and related dementia services
9 coordinator in the executive office on aging;
- 10 (32) In the Hawaii emergency management agency, the
11 executive officer, public information officer, civil
12 defense administrative officer, branch chiefs, and
13 emergency operations center state warning point
14 personnel; provided that for state warning point
15 personnel, the director shall determine that
16 recruitment through normal civil service recruitment
17 procedures would result in delay or noncompliance;
- 18 (33) The executive director and seven full-time
19 administrative positions of the school facilities
20 authority;



- 1 (34) Positions in the Mauna Kea stewardship and oversight
2 authority;
- 3 (35) In the office of homeland security of the department
4 of law enforcement, the statewide interoperable
5 communications coordinator;
- 6 (36) In the social services division of the department of
7 human services, the business technology analyst;
- 8 (37) The executive director and staff of the 911 board;
- 9 (38) The software developer supervisor and senior software
10 developers in the department of taxation;
- 11 (39) In the department of law enforcement, five Commission
12 on Accreditation for Law Enforcement Agencies, Inc.,
13 coordinator positions;
- 14 (40) The state fire marshal ~~and~~, deputy state fire
15 ~~marshal,~~ marshals, and assistant state fire marshals
16 in the office of the state fire marshal;
- 17 (41) The administrator for the law enforcement standards
18 board;
- 19 (42) In the office of the director of taxation, the data
20 privacy officer and tax business analysts; ~~and~~



1 +](43)[+] All positions filled by the Hawaii tourism authority
2 within the department of business, economic
3 development, and tourism[-]; and

4 (44) Retirants employed under section 88-9(d)(6).

5 The director shall determine the applicability of this
6 section to specific positions.

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

9 SECTION 3. Section 87A-1, Hawaii Revised Statutes, is
10 amended by amending the definition of "employee-beneficiary" to
11 read as follows:

12 ""Employee-beneficiary" means:

13 (1) An employee;

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

16 (A) The surviving child, if there is no surviving
17 parent who is eligible to be an
18 employee-beneficiary and the child is unmarried
19 and under the limiting age as defined by the
20 board; and



1 (B) The surviving spouse, if the surviving spouse
2 does not subsequently remarry;

3 (3) An employee who retired [~~prior to~~] before 1961; and

4 (4) The beneficiary of a retired member of the employees'
5 retirement system; a county pension system; or a
6 police, firefighters, or bandsmen pension system of
7 the State or a county, upon the death of the retired
8 member, including:

9 (A) The surviving child, if there is no surviving
10 parent who is eligible to be an
11 employee-beneficiary and the child is unmarried
12 and under the limiting age as defined by the
13 board; and

14 (B) The surviving spouse, if the surviving spouse
15 does not subsequently remarry;

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

20 "Employee-beneficiary" does not include any retirant employed
21 under section 88-9(d) (6) for the duration of the retirant's



1 employment under that section for employee-beneficiaries hired
2 after June 30, 2026."

3 SECTION 4. Section 88-9, Hawaii Revised Statutes, is
4 amended by amending subsection (d) to read as follows:

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

9 (1) As an elective officer pursuant to section 88-42.6(c)
10 or as a member of the legislature pursuant to section
11 88-73(d);

12 (2) As a juror or precinct official;

13 (3) As a part-time or temporary employee excluded from
14 membership in the system pursuant to section 88-43, as
15 a session employee excluded from membership in the
16 system pursuant to section 88-54.2[+], [†] or as any
17 other employee expressly excluded by law from
18 membership in the system; provided that:

19 (A) The retirant was not employed by the State or a
20 county during the six calendar months [~~prior to~~]
21 before the first day of reemployment; and



1 (B) No agreement was entered into between the State
2 or a county and the retirant, [~~prior to~~] before
3 the retirement of the retirant, for the return to
4 work by the retirant after retirement;

5 (4) In a position identified by the appropriate
6 jurisdiction as a labor shortage or difficult-to-fill
7 position; provided that:

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

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

15 (C) Each employer shall contribute to the pension
16 accumulation fund the required percentage of the
17 rehired retirant's compensation to amortize the
18 system's unfunded actuarial accrued liability;
19 [~~or~~]

20 (5) As a teacher or an administrator in a teacher shortage
21 area identified by the department of education or in a



1 charter school or as a mentor for new classroom
2 teachers; provided that:

3 (A) The retirant was not employed by the State or a
4 county during the twelve calendar months [~~prior~~
5 ~~to~~] before the first day of reemployment;

6 (B) No agreement was entered into between the State
7 or a county and the retirant [~~prior to~~] before
8 the retirement of the retirant, for the return to
9 work by the retirant after retirement; and

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

15 (6) In a position verified by the governor or any county
16 mayor as an identified labor shortage or certified
17 hard-to-staff position and for which employment for a
18 period exceeding eighty-nine days would be beneficial;
19 provided that:



- 1 (A) The position was publicly recruited for a minimum
2 of fourteen days, in accordance with the
3 requirements of chapter 76;
- 4 (B) No list of certified eligibles could be
5 established for the position, or the list of
6 certified eligibles was exhausted without a
7 successful hire;
- 8 (C) The term of employment shall not exceed one year;
9 provided that employment may be renewed for
10 additional terms of one year; provided further
11 that before each renewal the governor or any
12 mayor shall verify that:
- 13 (i) The position remains identified as a labor
14 shortage position or certified as a
15 hard-to-staff position; and
- 16 (ii) A new recruitment effort pursuant to
17 subparagraphs (A) and (B) was conducted but
18 failed to identify a qualified non-retirant
19 candidate;



- 1 (D) 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 (E) 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;
- 8 (F) 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 (G) The retirant shall be included in the appropriate
13 bargaining unit under section 89-6; and
- 14 (H) If the position is a state position, the
15 appointing authority shall notify the department
16 of human resources development of the retirant's
17 employment and provide other information as
18 required by the department of human resources
19 development.
- 20 For the purposes of this paragraph, "hard-to-staff"
21 means a position for which the director of human



1 resources development or respective appointing
2 authority has certified that the service is special or
3 unique or is essential to the public interest and
4 that, because of circumstances surrounding its
5 fulfillment, personnel to perform the service cannot
6 be obtained through normal civil service recruitment
7 procedures; provided further that for the purposes of
8 positions in the department of education,
9 "hard-to-staff" includes positions eligible for
10 shortage differential pay and in subject areas in
11 which the number of unlicensed teachers exceeds a
12 critical threshold, as determined by the department of
13 education by rule."

14 SECTION 5. The department of human resources development
15 shall submit a report on the implementation of this Act to the
16 legislature no later than twenty days prior to the convening of
17 the regular session of 2031. The report shall include:

18 (1) For the period beginning on the effective date of this
19 Act and ending on June 30, 2030:



- 1 (A) The number of reported retirants rehired by the
- 2 State under section 88-9(d)(6), Hawaii Revised
- 3 Statutes;
- 4 (B) A representative summary of the duration of the
- 5 retirants' employment in a manner that protects
- 6 personally identifiable information;
- 7 (C) The savings or estimated savings to the State;
- 8 and
- 9 (D) Other information deemed relevant by the
- 10 department of human resources development;
- 11 (2) A recommendation as to whether the program should be
- 12 made permanent, modified, or terminated; and.
- 13 (3) Any proposed legislation.

14 SECTION 6. This Act does not affect rights and duties that
15 matured, penalties that were incurred, and proceedings that were
16 begun before its effective date.

17 SECTION 7. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 8. This Act shall take effect on January 1, 2077;
20 provided that on June 30, 2031, this Act shall be repealed and
21 sections 76-16, 87A-1, and 88-9, Hawaii Revised Statutes, shall



- 1 be reenacted in the form in which they read on the day prior to
- 2 the effective date of this Act.



S.B. NO. 2672
S.D. 1

Report Title:

DHRD; ERS; EUTF; Public Employment; Retirants; State and County Positions; 89-Day Contracts; Pilot Program; Report

Description:

Establishes a five-year pilot program allowing retirants to be rehired for exempt service for one-year terms under certain circumstances. Provides that retirants employed under the program are excluded from the Hawaii Employer-Union Health Benefits Trust Fund and will not experience an interruption of pension benefits. Requires an employer of a retirant under the program to contribute to the Employees' Retirement System. Requires the Department of Human Resources Development to submit a report to the Legislature. Sunsets 6/30/2031. Effective 1/1/2077. (SD1)

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

