

ACT 291

S.B. NO. 447

A Bill for an Act Relating to a Department of Health Pilot Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that addressing shortages in the State's public health workforce serves the public interest and is a key priority for the State. In September 2024, the department of health reported nine hundred vacant positions, revealing a severe staffing shortage impeding the State's ability to quickly assess public health issues, develop effective public health policy, and instill confidence in residents about Hawaii's ability to protect their health and well-being.

The legislature further finds that Hawaii is currently experiencing a comprehensive shortage of skilled, professional workers. This shortage is driven by a multitude of factors, including workers relocating to states with lower costs of living and an aging population wherein experienced workers are beginning to qualify for retirement. These factors have resulted in increased competition for skilled workers among employers across many industry sectors.

The legislature recognizes that the State faces a wide range of public health issues stemming from climate change, increased globalization and global travel, an aging population, and the complicated effects of mental health issues and substance abuse. These issues require the State to be increasingly vigilant to ensure the well-being of its residents.

The legislature further recognizes that section 76-5, Hawaii Revised Statutes, authorizes the director of human resources development to delegate the performance of services under chapter 76, Hawaii Revised Statutes, the State's civil service laws, to other agencies. In addition, section 14-1-9, Hawaii Administrative Rules, authorizes the director of human resources development to delegate to other departments the authority to act on human resources matters in accordance with policies, rules, guidelines, and standards issued by the director of human resources development. The legislature finds that if the director of health could take over certain human resources responsibilities as contemplated under these provisions, the department of health may be able to more expeditiously address public health issues facing the State.

The legislature further finds that under policy number 200.004 of the department of human resources development policies and procedures, titled establishment of minimum qualification requirements, the civil service system is based on the merit principle, which is defined as "the selection of persons based on their fitness and ability for public employment and the retention of employees based on their demonstrated appropriate conduct and productive performance". However, the minimum qualifications established under this policy, which date back to December 2003 and are still in effect, do little to promote the merit principle.

Accordingly, the purpose of this Act is to streamline the hiring process in the department of health by requiring the delegation of certain human resources services under chapter 76, Hawaii Revised Statutes, from the department of human resources development to the department of health until June 30, 2028.

SECTION 2. (a) There is established a hiring pilot program within the department of health. The pilot program shall include the following:

- (1) For delegated position classifications, the department of health may forward to the hiring program applications received without verifying minimum qualifications. When the hiring program selects an applicant for hire, the human resources office of the department of health shall verify the applicant's minimum qualifications before extending an offer of employment. The department of human resources development shall approve the temporary delegation of other unique position classifications and non-unique position classifications that are requested by the department of health for recruitment under the pilot program;
- (2) The department of health shall have the following flexibilities regarding minimum qualifications for positions having a salary range at or below SR-10:
 - (A) Considering required minimum qualifications as desired qualifications; and
 - (B) Allowing certain community college development programs to be substituted for required or desired experience; provided that the department of health shall specify any minimum qualification requirement or substitute in the recruitment posting;
- (3) The department of health may directly hire an individual who meets minimum qualifications into a civil service position; provided that there are more than five vacant positions within the department of health for that position classification; and
- (4) The director of health may make a temporary appointment outside the list at what would be the merited civil service pay scale without step limitation; provided that the department of health shall notify the department of human resources development of all temporary appointments outside the list made under this paragraph. As used in this paragraph, a "temporary appointment outside the list" means a non-civil service temporary appointment outside the list as described in policy number 300.001 of the department of human resources development policies and procedures, titled types of appointments.

(b) The pilot program established under subsection (a) shall be available for department of health recruitments that are initiated before July 1, 2028.

(c) The department of health shall submit a report to the legislature of its findings and recommendations, including any proposed legislation regarding the pilot program established by this Act, no later than twenty days prior to the convening of the regular sessions of 2026, 2027, 2028, and 2029.

SECTION 3. This Act shall take effect on July 1, 2025; provided that the pilot program established pursuant to this Act shall be repealed on July 1, 2028.

(Approved July 3, 2025.)