



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 7, 2019

GOV. MSG. NO. 1182

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

HB999 HD1 SD1 CD1

RELATING TO EXEMPTIONS FROM CIVIL
SERVICE.
ACT 081 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor
on JUN 7 2019

ORIGINAL

ACT 081
H.B. NO.

HOUSE OF REPRESENTATIVES
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

999
H.D. 1
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO EXEMPTIONS FROM CIVIL SERVICE.

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

1 SECTION 1. The department of human services has one of the
2 largest operating budgets of any state department and a staff of
3 more than 2,400 employees deployed statewide. To effectively
4 lead and manage the department's programs and improve service
5 delivery, the department requires a well-experienced and
6 knowledgeable leadership team.

7 The department serves one in four Hawaii residents through
8 programs and services that include: protection of vulnerable
9 children and adults; vocational rehabilitation and financial
10 assistance to disabled individuals; the Supplemental Nutrition
11 Assistance Program; financial assistance; job training and
12 placement; housing and support services for individuals and
13 families experiencing homelessness; medicaid services for the
14 State's low income population; and prevention, treatment, and
15 housing and services for the State's youthful offenders and
16 other young adults at risk for homelessness, chronic



1 unemployment, and vulnerable to becoming victims of labor or sex
2 trafficking.

3 Each program is governed by complex state and federal laws,
4 rules, and regulations. To improve the efficiency and
5 accessibility to these services statewide, the federal and state
6 governments have made significant investments to transform the
7 department's information technology systems from a thirty-plus
8 year old siloed legacy system to an integrated enterprise
9 system. Once completed, the department of human services
10 enterprise system will be capable of determining eligibility for
11 multiple programs, improve timely service delivery, and provide
12 greater program and fiscal oversight.

13 To capitalize on investments made to the medicaid
14 eligibility system, known as KOLEA, and enable complex analytics
15 of public health insurance medical claims through the all-payer
16 claims data warehouse, in 2018, the legislature established the
17 department's health analytics program in the med-QUEST division.
18 That program will begin to provide analysis of state-funded
19 medical insurance claims that will assist policy makers and
20 program administrators to make necessary adjustments to the
21 coverage of health care in Hawaii.



1 Improving the department's information technology systems
2 likewise necessitates robust investment in department
3 administrators who have the expertise in design and maintenance
4 of information technology systems, the establishment of security
5 programs to ensure the department has sufficient security
6 protocols and processes, and investment in a workforce that is
7 trained to recognize and respond to potential system breaches
8 and or attempted hacks.

9 The effective management and transformation of the
10 department into an integrated service delivery system requires
11 department management to lead internal changes and to engage in
12 collaborative efforts with other state and federal agencies,
13 legislative bodies, and other external and community partners.
14 Expertise, experience, foresight, and continuity in leadership
15 are necessary to drive departmental changes to address
16 conditions that give rise to poverty and other public welfare
17 problems.

18 The department is challenged in attracting and retaining
19 professionals with necessary qualifications to assume the
20 leadership and oversee personnel matters, fiscal and budget
21 issues, information technology development, and operational



1 matters related to quality control, program oversight, and
2 reporting.

3 Specific issues regarding homelessness in Hawaii also need
4 dedicated and predictable leadership resources. Homelessness in
5 Hawaii is a major social and economic issue that impacts
6 individuals and families, residents and visitors, and businesses
7 and communities. There are multiple causes of homelessness and
8 an effective, coordinated response to homelessness requires a
9 focused, strategic effort by the governor's coordinator on
10 homelessness who has the expertise, ability, authority, and
11 credentials to work with all stakeholders.

12 The legislature passed Act 79, Session Laws of Hawaii 2016
13 (Act 79), that exempted from the civil service requirements of
14 chapter 76, Hawaii Revised Statutes, for a period of three
15 calendar years commencing on the effective date of Act 79, the
16 following positions in the Med-QUEST division of the department
17 of human services: the division administrator, finance officer,
18 health care services branch administrator, medical director, and
19 clinical standards administrator. The department seeks to
20 permanently exempt these positions from civil service.



1 To provide oversight on continued development of the
2 department's enterprise system and address increased security
3 needs of the information technology infrastructure and program
4 integrity, the department seeks to permanently exempt from civil
5 service the following positions in the director's office:
6 enterprise officer, information security and compliance officer,
7 security and privacy compliance engineer, and security and
8 privacy compliance analyst, to support the overall security of
9 the department's enterprise system.

10 Act 79 also temporarily exempted a research/health
11 analytics manager in the med-QUEST division, and the
12 community/project development director and policy director in
13 the director's office. The department seeks to continue the
14 temporary exemptions of these positions for three additional
15 years. Additionally, the department seeks a similar temporary
16 exemption of the special assistant to the director.

17 The purpose of this Act is to permanently exempt from
18 provisions of civil service the following positions: the
19 governor's coordinator on homelessness, five positions at the
20 Med-QUEST division, and four positions in the office of the
21 director of human services. Further, this Act temporarily



1 exempts from civil service the research/health analytics manager
2 in the med-QUEST division and the community/project development
3 director, policy director, and special assistant to the director
4 in the director's office.

5 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
6 amended by adding to part XVIII a new section to be
7 appropriately designated and to read as follows:

8 "§346- Governor's coordinator on homelessness. The
9 governor shall appoint the governor's coordinator on
10 homelessness for the proper administration and enforcement of
11 this chapter without regard to chapter 76."

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

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

- 18 (1) Commissioned and enlisted personnel of the Hawaii
19 National Guard as such, and positions in the Hawaii
20 National Guard that are required by state or federal
21 laws or regulations or orders of the National Guard to



- 1 be filled from those commissioned or enlisted
2 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 such
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 (6) Positions filled by popular vote;
- 2 (7) Department heads, officers, and members of any board,
3 commission, or other state agency whose appointments
4 are made by the governor or are required by law to be
5 confirmed by the senate;
- 6 (8) Judges, referees, receivers, masters, jurors, notaries
7 public, land court examiners, court commissioners, and
8 attorneys appointed by a state court for a special
9 temporary service;
- 10 (9) One bailiff for the chief justice of the supreme court
11 who shall have the powers and duties of a court
12 officer and bailiff under section 606-14; one
13 secretary or clerk for each justice of the supreme
14 court, each judge of the intermediate appellate court,
15 and each judge of the circuit court; one secretary for
16 the judicial council; one deputy administrative
17 director of the courts; three law clerks for the chief
18 justice of the supreme court, two law clerks for each
19 associate justice of the supreme court and each judge
20 of the intermediate appellate court, one law clerk for
21 each judge of the circuit court, two additional law



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 not 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/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/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, 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

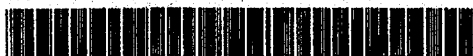


1 Training Administration of the United States
2 Department of Labor, or under other similar state
3 programs;

4 (14) A custodian or guide at Iolani Palace, the Royal
5 Mausoleum, and Hulihee Palace;

6 (15) Positions filled by persons employed on a fee,
7 contract, or piecework basis, who may lawfully perform
8 their duties concurrently with their private business
9 or profession or other private employment and whose
10 duties require only a portion of their time, if it is
11 impracticable to ascertain or anticipate the portion
12 of time to be devoted to the service of the State;

13 (16) Positions of first deputies or first assistants of
14 each department head appointed under or in the manner
15 provided in section 6, article V, of the Hawaii State
16 Constitution; three additional deputies or assistants
17 either in charge of the highways, harbors, and
18 airports divisions or other functions within the
19 department of transportation as may be assigned by the
20 director of transportation, with the approval of the
21 governor; four additional deputies in the department



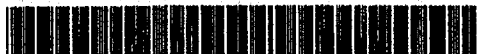
1 of health, each in charge of one of the following:
2 behavioral health, environmental health, hospitals,
3 and health resources administration, including other
4 functions within the department as may be assigned by
5 the director of health, with the approval of the
6 governor; an administrative assistant to the state
7 librarian; and an administrative assistant to the
8 superintendent of education;

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

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

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

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



- 1 (19) Household employees at the official residence of the
2 president of the University of Hawaii;
- 3 (20) Employees in the department of education engaged in
4 the supervision of students during meal periods in the
5 distribution, collection, and counting of meal
6 tickets, and in the cleaning of classrooms after
7 school hours on a less than half-time basis;
- 8 (21) Employees hired under the tenant hire program of the
9 Hawaii public housing authority; provided that not
10 more than twenty-six per cent of the authority's
11 workforce in any housing project maintained or
12 operated by the authority shall be hired under the
13 tenant hire program;
- 14 (22) Positions of the federally funded expanded food and
15 nutrition program of the University of Hawaii that
16 require the hiring of nutrition program assistants who
17 live in the areas they serve;
- 18 (23) Positions filled by persons with severe disabilities
19 who are certified by the state vocational
20 rehabilitation office that they are able to perform
21 safely the duties of the positions;



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



1 The director shall determine the applicability of this
2 section to specific positions.

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

5 SECTION 4. Notwithstanding any other law to the contrary,
6 including section 76-16(b)(17), Hawaii Revised Statutes, and
7 unless affirmatively extended by an act of the legislature, for
8 a period of three calendar years commencing on the effective
9 date of this Act, the following positions shall be exempt from
10 the civil service requirements of chapter 76, Hawaii Revised
11 Statutes:

12 (1) In the Med-QUEST division of the department of human
13 services, the research/health analytics manager; and

14 (2) In the director's office of the department of human
15 services, the community/project development director,
16 policy director, and the special assistant to the
17 director.

18 SECTION 5. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 6. This Act shall take effect on June 29, 2019.



H.B. NO. 999
H.D. 1
S.D. 1
C.D. 1

APPROVED this 7 day of JUN, 2019

A handwritten signature in black ink, appearing to read "David Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

GOVERNOR OF THE STATE OF HAWAII

HB No. 999, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2019
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019.



President of the Senate



Clerk of the Senate