



# HOUSE BILL 223: Office of State Human Resources/Various State Human Resources Act Changes.

2023-2024 General Assembly

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<b>Committee:</b>	<b>Date:</b>	August 27, 2024
<b>Introduced by:</b>	<b>Prepared by:</b>	Brad Krehely
<b>Analysis of:</b>	S.L. 2024-23	Staff Attorney

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**OVERVIEW:** *S.L. 2024-23 makes various technical and clarifying changes to the State Human Resources Act and related statutes and does the following:*

- *Requires the State Human Resources Commission (Commission) to adopt rules or policies mandating that a closing date be posted for each job opening unless an exception for critical classifications has been approved by the Commission or through a special exception through the Office of State Human Resources.*
- *Clarifies that a potential State or local government supervisor can inspect confidential information in a personnel file to prevent application fraud.*
- *Removes the requirement that job openings be filled no sooner than 21 days after listing.*
- *Grants the Commission the authority to adopt temporary rules and permanent rules to allow local agencies to hire and pay trainees for local government positions that are subject to the State Human Resources Act.*
- *Allows an applicant for State employment or a State employee to allege denial of National Guard preference and file for a contested case hearing after following the grievance appeal process.*
- *Makes clarifications to the statutes addressing fraudulent disclosure and willful nondisclosure on an application for State employment and the laws governing the Temporary Solutions Program.*
- *Permits the Department of Health and Human Services (DHHS) to directly hire temporary employees into vacant positions if certain criteria are met and requires DHHS to report on the number and types of positions filled under this temporary authority by July 1, 2025. This section expires 180 calendar days from the date of enactment.*

*Except as otherwise provided, this act became effective June 28, 2024.*

## **BILL ANALYSIS:**

**Section 1** requires the State Human Resources Commission (Commission) to adopt rules or policies mandating that a closing date be posted for each job opening unless an exception for critical classifications has been approved by the Commission or through a special exception through the Office of State Human Resources (OSHR).

**Section 2** makes technical changes to **G.S. 126-24** (Confidential information in personnel files; access to such information) and clarifies a potential State or local government supervisor can inspect confidential information in a personnel file to prevent application fraud.

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**Section 3** provides a framework for escalation if a local entity obtains a determination that an individual does not meet the class specification's minimum qualifications for the role, but the local entity hires the individual anyway.

**Section 5** removes the requirement that job openings be filled no sooner than 21 days after listing to facilitate hiring new employees faster.

**Section 6** allows the Director of the OSHR to make class specification changes immediately (previously only the Commission could grant approval at monthly meetings). Any classification changes by the Director must be consistent with the Commission approved classification structure and reported to the Commission.

**Section 7** grants the Commission the authority to adopt temporary rules and permanent rules to allow local agencies to hire and pay trainees for local government positions that are subject to the State Human Resources Act.

**Section 8** allows an applicant for State employment or a State employee to allege denial of National Guard preference and file for a contested case hearing after following the grievance appeal process.

**Section 9** clarifies that **G.S. 126-30** (Fraudulent disclosure and willful nondisclosure on application for State employment; penalties) applies to any document attached to or supplementing an application and requires a statement informing applicants of consequences of fraudulent disclosures to appear on the screen.

**Section 10** amends **G.S. 126-6.3(a2)** to require OSHR to prohibit any agency or division, based on individual budget code, from acquiring new temporary employees if the agency or division has an invoice that is over 90 days overdue and a total invoice amount exceeding \$200,000. It clarifies that such an agency or division must not acquire new temporary employees until the agency or division has paid all invoices that are over 90 days overdue. This section also allows the Director of OSHR to create exceptions to **G.S. 126-6.3(a2)** only when failure to acquire new temporary employees will severely harm the provision of vital services to the public.

**Section 11** allows the Department of Health and Human Services (DHHS) to directly hire temporary employees into vacant positions if all of the following are met: (i) the position is vacant; (ii) the temporary employee must have worked for at least six months in a substantially equivalent role and performed satisfactorily; (iii) the temporary employee must have been hired through the Temporary Solutions Program; and (iv) the annual salary for the employee must be \$80,000 or less. The hiring is exempt from portions of Chapter 126 of the General Statutes, including the requirement to post the position, do interviews, and select from the pool of the most qualified persons. DHHS must report to the OSHR on the positions filled under this temporary authority no later than July 1, 2025. This section became effective June 28, 2024, and expires 180 days after enactment.

**EFFECTIVE DATE:** Unless otherwise provided, the act became effective June 28, 2024.

Jessica Boney, Staff Attorney for the Legislative Analysis Division, contributed substantially to this summary.