



# HOUSE BILL 223: OSHR/Various SHRA Changes.

2023-2024 General Assembly

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<b>Committee:</b> Senate Rules and Operations of the Senate	<b>Date:</b> June 5, 2024
<b>Introduced by:</b> Reps. Cleveland, Riddell	<b>Prepared by:</b> Brad Krehely
<b>Analysis of:</b> Fourth Edition	Staff Attorney

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**OVERVIEW:** *House Bill 223 makes various technical and clarifying changes to the State Human Resources Act and related statutes.*

## BILL ANALYSIS:

**Section 1** allows the Commission to adopt rules or policies allowing an individual's application to be considered for future job positions and authorizing agencies to make contingent job offers as soon as possible.

**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 may inspect confidential information in a personnel file to prevent application fraud.

**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 4(a)** adds a cross reference in **G.S. 95-47.6** (Prohibited Acts) to **G.S. 126-18** (Compensation for assisting person in obtaining State employment barred; exception). This clarifies a private personnel service shall not impose or attempt to collect any fee from the State for aiding any person with employment with the State.

**Section 4(b)** updates **G.S. 126-18** (Compensation for assisting person in obtaining State employment barred; exception) to use the term private personnel services, clarifies that the license referred to is a private personnel service, and requires retention of documents for private personnel services in accordance with the Department of Labor's record keeping statute.

**Section 5** removes the requirement that job openings be filled no sooner than 21 days after listing to facilitate hiring new employees faster, as authorized in Section 1 of this act.

**Section 6** allows the Director of the Office of State Human Resources 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.

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**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 be permitted to 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 would severely harm the provision of vital services to the public.

**Section 11** creates a two-year pilot program allowing temporary employees staffing positions for the Department of Health and Human Services (Department) to be granted priority consideration in obtaining a position that is equal to or similar to the temporary position. This priority consideration is lower than the priority for permanent State employees seeking a promotion and the priority for eligible veterans and members of the National Guard provided by law. The temporary employee must be in good standing, meet minimum qualifications, and be continuously staffing a position for at least 6 months prior to consideration, not including mandatory breaks. Upon the Department's request, OSHR must grant an exception from other procedural hiring requirements for temporary employees granted priority and for permanent State employees who meet minimum qualifications and would be eligible for promotional priority. A position that is filled must be posted, but may be posted "Internal to Agency" as allowed by the State Human Resources Commission Recruitment and Posting of Vacancies Policy that is in effect as of the date this section is enacted. This section becomes effective July 1, 2024, and expires on June 30, 2026.

**EFFECTIVE DATE:** Unless otherwise provided, the act is effective when it becomes law.

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