
A BILL FOR AN ACT

RELATING TO REIMBURSEMENT OF PUBLIC OFFICERS AND EMPLOYEES.

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

SECTION 1. Section 78-32, Hawaii Revised Statutes, is amended to read as follows:

"~~[§]~~§78-32~~[§]~~ **Payment of approved travel costs for public officers and employees.** (a) This section shall apply to all approved travel costs incurred by an officer or employee of the State or a county in connection with the official business of the respective jurisdiction.

(b) Subject to subsection (d), the State and the counties may pay approved travel costs directly to:

(1) The vendor providing the goods or services involved;

~~[or]~~

(2) The officer or employee for whom the approved travel costs are to be paid, by way of a cash advance ~~[prior to]~~ before the date of purchase~~[, unless the officer or employee affirmatively agrees to loan the State or a county the money for the travel costs and be~~



1 ~~reimbursed after the officer or employee pays for the~~
2 ~~travel costs.]; or~~

3 (3) The officer or employee when the officer or employee
4 affirmatively agrees to loan the State or a county the
5 money for the travel costs and be reimbursed after the
6 officer or employee pays for the travel costs.

7 (c) This section shall not be construed as precluding the
8 reimbursement of approved travel costs to an officer or employee
9 upon completion of travel for any costs that for any reason were
10 not paid by the State or the county, as applicable, in
11 accordance with subsection (b).

12 (d) As pertains to the officer or employee incurring
13 approved travel costs, whenever there is a conflict between a
14 collective bargaining agreement and this section, the terms of
15 the collective bargaining agreement shall prevail.

16 (e) For the purposes of this section, "approved travel
17 costs" means any determinable costs of travel for official state
18 or county business approved by the respective jurisdiction and
19 supported by a written invoice. The term includes the costs of
20 transportation to and from a destination point, between
21 destination points, or within a destination point; event



1 registration fees; per diem allowances; vehicle mileage; and any
2 other necessary costs related to the travel.

3 (f) An employer shall not take adverse employment actions
4 against an officer or employee who does not affirmatively agree
5 to loan the State or a county the money for the travel costs and
6 be reimbursed after the officer or employee pays for the travel
7 costs.

8 (g) Whenever an officer or employee affirmatively agrees
9 to loan the State or a county the money for travel costs
10 pursuant to subsection (b), the State or county shall reimburse
11 the officer or employee within thirty calendar days after the
12 officer or employee submits an approved statement of completed
13 travel or similar document; provided that the officer or
14 employee shall have the opportunity to submit an approved
15 statement of completed travel for any approved travel cost the
16 officer or employee has already incurred prior to the date of
17 travel.

18 If the State or a county is unable to reimburse the officer
19 or employee within thirty calendar days of when the officer or
20 employee submits an approved statement of completed travel or
21 similar document, the State or a county shall pay interest



1 of _____ per cent of the total amount owed to the officer or
2 employee until the loan is fully reimbursed. Interest shall be
3 compounded every thirty days.

4 (h) Whenever an officer or employee affirmatively agrees
5 to loan the State or a county the money in accordance with
6 subsection (b) and in the event the officer's or employee's
7 approved travel is canceled, or if the officer or employee can
8 no longer participate in the approved travel, the officer or
9 employee shall attempt to obtain a complete refund on all
10 approved travel costs from the vendor. However, if a vendor
11 refund is not available, then the officer or employee shall be
12 entitled to reimbursement from the State or a county. If the
13 officer or employee receives only a partial refund on the total
14 cost from the vendor, then the officer or employee shall be
15 entitled to reimbursement from the State or a county based on
16 the difference between the total cost of the travel and the
17 amount reimbursed by the vendor."

18 SECTION 2. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

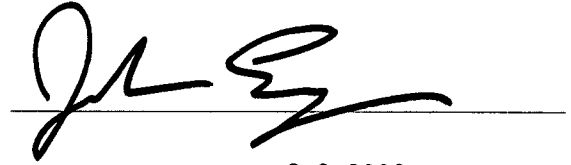
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1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 20 2026



H.B. NO. 1663

Report Title:

Reimbursement; Public Employees; Travel Costs; Interest Owed

Description:

Requires the State or a county to reimburse an officer or employee for work-related travel costs that the officer or employee loaned to the State or a county within thirty calendar days of submitting an approved Statement of Completed Travel. Requires the State or a county to pay interest on a loan not reimbursed within thirty days until the loan is fully reimbursed. Obligates an officer or employee to request a complete refund from the travel vendor for travel not taken. Entitles an officer or employee to reimbursement from the State or a county when a travel vendor offers no or a partial refund.

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

