STAND. COM. REP. NO. 1369-26

Honolulu, Hawaii

MAR 24, 2026

RE: S.B. No. 3264
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Labor, to which was referred S.B. No. 3264, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND STAFF SALARIES,"

begs leave to report as follows:

The purpose of this measure is to authorize the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund (Board) to establish the salary for the Assistant Administrator at a level commensurate with private-sector compensation.

Your Committee received testimony in support of this measure from the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund; University of Hawaii Professional Assembly; and Hawai'i State Teachers Association.

Your Committee finds that compensation for management professionals in state service lags significantly behind comparable private-sector salaries, making it difficult for the Hawaii Employer-Union Health Benefits Trust Fund (Trust Fund) to attract and retain highly qualified upper level staff. This compensation gap affects the Trust Fund's ability to maintain experienced leadership capable of managing complex benefit programs that serve a large statewide workforce. Your Committee

believes that allowing the Board to set a competitive salary for the Assistant Administrator will strengthen the Trust Fund's recruitment and retention efforts and enhance long-term operational stability.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3264, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3264, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor,

Committee on Labor,

JACKSON D. SAYAMA, Chair

State of Hawaii
House of Representatives
The Thirty-third Legislature

HSCR 1269-26

Record of Votes of the Committee on Labor

Bill/Resolution No.:	Committee Referral:	Date:
SB 3264 SD1	LAB, FIN	3/19/26

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☐ Pass, unamended (as is) ☒ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SAYAMA, Jackson D. (C)	X			
2. LEE, Mike (VC)	X			
3. GARRETT, Andrew Takuya	X			
4. KAPELA, Jeanne	X			
5. KONG, Sam Satoru	X			
6. REYES ODA, Julie		X		
TOTAL (6)	5	1		

The recommendation is: ☒ Adopted ☐ Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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