



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
February 26, 2026 at 10:00 a.m.

By

Luis P. Salaveria

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 2271 HD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** HB 2271 HD1, Making Emergency Appropriations for Public Employment Cost Items. This bill makes emergency appropriations for collective bargaining cost items for members of BU01 and BU10 and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

In this fiscal year, the University of Hawai'i (UH) paid nearly \$6 million in temporary hazard pay to current and former UPW employees or their beneficiaries as a result of an arbitration award. Although funds were appropriated in Act 29, Session Laws of Hawai'i 2025, they were insufficient to fully cover the costs for every department in the state, and UH has not received its share of general funds, amounting to \$5,260,963.48, to cover the costs associated with these payments that were already made. We respectfully request the inclusion of these funds to make UH whole in this matter.

Thank you for this opportunity to testify.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9560 FAX: (808) 973-9613

SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

Written Testimony Only

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

BEFORE THE HOUSE COMMITTEE ON FINANCE

**THURSDAY, FEBRUARY 26, 2026
10:00 AM**

CONFERENCE ROOM 308 & VIDEO CONFERENCE

**HOUSE BILL NO. 2271, HD1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST
ITEMS**

Chair Todd, Vice Chair Takenouchi and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2271, HD 1, Making Emergency Appropriations for Public Employment Cost Items. This bill makes emergency appropriations for negotiated settlement amounts related to temporary hazard pay for the Department of Education, University of Hawaii and Executive Branch employees that are members of collective bargaining units (1) and (10) and their excluded related counterparts for FY 26. The Hawaii Department of Agriculture and Biosecurity supports this bill.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

IN REPLY PLEASE REFER TO:

26:OED

Statement of the
Hawaii Public Housing Authority

Before the
House Committee on Finance

Thursday, February 26, 2026
10:00 a.m. – Room 308, Hawaii State Capitol

In consideration of
HB 2271, HD1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Honorable Chair Todd, Vice Chair Takenouchi and members of the House Committee on Finance:

The Hawaii Public Housing Authority (HPHA) strongly supports HB 2271, HD1. This measure makes emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

HPHA is made up of a large, geographically dispersed workforce statewide, including but not limited to general laborers, building maintenance helpers, carpenters, electricians, plumbers, and plumber helpers. The Authority respectfully requests that this measure be passed to cover the costs related to temporary hazard pay settlements.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.





UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**HOUSE OF REPRESENTATIVES
THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026**

COMMITTEE ON FINANCE
Rep. Chris Todd, Chair
Rep. Jenna Takenouchi, Vice Chair

Thursday, February 26, 2026, 10:00 AM
Conference Room 308 & Videoconference

Re: Testimony on HB2271, HD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW **strongly supports** HB2271, HD1, which makes emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay (“THP”) for fiscal year 2025-2026.

We respectfully request that this measure be passed to resolve any remaining THP grievances with the Executive Branch and Department of Education so that our members can finally receive the THP they earned, and are **contractually owed**, for performing their duties during the COVID-19 pandemic.

Mahalo for this opportunity to testify in support of this measure.

HEADQUARTERS

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Honolulu, Hawaii 96817-1914
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HAWAII

362 East Lanikaula Street
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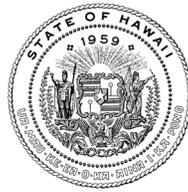
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JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

SETH S. COLBY, Ph.D.
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY SETH S. COLBY, Ph.D.
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2271, H.D. 1

February 26, 2026
10:00 a.m.
Room 308 and Videoconference

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports moving this Administration proposal, or a similar bill, as collective bargaining negotiations regarding the issue of temporary hazard pay (THP) are currently in progress and additional appropriations are needed for arbitration awards that have already been issued and for a supplemental arbitration award.

As submitted, this measure appropriates and authorizes unspecified amounts to cover the balance of requirements associated with a THP settlement agreement for employees of the Department of Education, as well as arbitration awards for employees of the University of Hawai'i and other State of Hawai'i Executive Branch departments represented by United Public Workers, Bargaining Units (BU) 1 and 10, as provided by Act 29, SLH 2025. In addition, the supplemental award issued for employees of the other State of Hawai'i Executive Branch departments for BUs 1 and 10 is now final. A Governor's message with the estimated costs will be transmitted to the Legislature shortly.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
RYAN K.P. KANAKA'OLE
Acting Chairperson**

**Before the House Committee on
FINANCE**

**Thursday, February 26, 2026
10:00 AM
State Capitol, Conference Room 308**

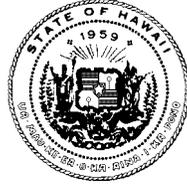
**In consideration of
HOUSE BILL 2271, HOUSE DRAFT 1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.**

House Bill 2271, House Draft 1 proposes to make emergency appropriations for public employment cost items for Fiscal Year 2025-26. This measure also helps ensure that there is sufficient funding to reimburse departments for temporary hazard pay payments made earlier in the fiscal year to members of bargaining units 1 and 10 and their excluded counterparts. **The Department of Land and Natural Resources supports this measure.**

This proposal provides necessary reimbursement authority to maintain fiscal stability within departmental budgets while ensuring that compensation obligations already incurred are properly met. Without this authority, departments may experience unintended budgetary shortfalls despite existing commitments. This measure promotes sound fiscal management and allows the State to fulfill its obligations.

Mahalo for the opportunity to comment on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



LEANNE GILLESPIE
EXECUTIVE DIRECTOR
LUNA HO'OKELE

Phone: (808) 587-5710
Fax: (808) 587-5734

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
OFFICE OF YOUTH SERVICES
Ke'ena Lawelawe 'Ōpio
1010 Richards Street, Suite 314
Honolulu, Hawaii 96813

February 25, 2026

TO: The Honorable Representative Chris Todd, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
Committee on Finance

FROM: Leanne Gillespie, Executive Director

SUBJECT: HB 2271 HD1, MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS

Hearing: Thursday, February 26, 2026 @ 10:00 a.m.
Conference Room 308, State Capitol

DEPARTMENT'S POSITION: The Office of Youth Services (OYS) supports this measure.

PURPOSE: The purpose of this bill is to make emergency appropriations for collective bargaining cost items for the members of Bargaining Unit (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

Members of collective Bargaining Units (1) and (10) were awarded sums related to temporary hazard pay (THP). OYS was not awarded an additional appropriation to cover these THP payments. OYS covered the THP payments using \$719,820.50 from our base budget. OYS respectfully requests an appropriation to replenish our base budget to cover operational expenses.

Thank you for the opportunity to provide comments.

AN EQUAL OPPORTUNITY AGENCY

JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawaii*

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
*Ka Hope Kia'āina o ka Moku'āina
'o Hawaii*



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Ho'okele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka 'Oihana 'Āina Ho'opulapula Hawaii'i

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
ON FEBRUARY 26, 2026 AT 2:00PM IN CR 308

**HB2271, HD1, RELATING TO MAKING EMERGENCY APPROPRIATIONS FOR
PUBLIC EMPLOYMENT COST ITEMS**

February 26, 2026

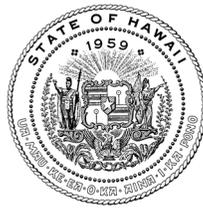
Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **supports** this bill which makes emergency appropriations for collective bargaining cost items for the members of bargaining units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

This bill addresses negotiated settlements for the Department of Education and arbitration awards for the University of Hawaii and other executive branch departments related to temporary hazard pay. This measure also covers cost adjustments and salary increases provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds.

Thank you for your consideration of our testimony.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
*Ka 'Oihana Ho'omalu Kalaima
a Ho'oponopono Ola*
1177 Alakea Street
Honolulu, Hawaii'i 96813

TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Vacant
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

No. _____

TESTIMONY ON HOUSE BILL 2271, HOUSE DRAFT 1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS.

by

Tommy Johnson, Director
Department of Corrections and Rehabilitation

House Committee on Finance
Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair

Thursday, February 26, 2026, 10:00 a.m.
State Capitol, Conference Room 308 & Videoconference

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) supports House Bill (HB) 2271, House Draft (HD) 1, which seeks to make emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay (THP) for fiscal year 2025-2026.

DCR employs the largest number of Bargaining Unit 10 employees statewide. During the COVID-19 pandemic, these employees continued to provide essential services under hazardous conditions. In the Arbitration between United Public Workers (UPW) and the State of Hawai'i, the Arbitrator awarded UPW the THP to its BUs 1 and 10, which required DCR to pay approximately \$31.1 million to its Unit 1 and Unit 10 employees who qualified for the THP.

However, the amount of \$14 million appropriated in Act 29, Session Laws of Hawai'i 2025, is insufficient to fully reimburse DCR for these payments. As a result,

several DCR programs face a critical shortfall and will not have sufficient funds to cover payroll in the last quarter of this fiscal year.

Passage of HB 2271, HD 1 is essential to ensure that DCR can maintain operations and meet its payroll obligations without disruption. This measure will provide the emergency appropriations necessary to uphold collective bargaining agreements and sustain the effective functioning of our correctional system.

DCR respectfully requests the Legislature's favorable consideration and immediate passage of HB 2271, HD1.

Thank you for the opportunity to provide testimony in support of HB 2271, HD 1.