

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
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY SETH S. COLBY, Ph.D.
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 3090, S.D. 1, H.D. 1

April 2, 2026
2:00 p.m.
Room 308 and Videoconference

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

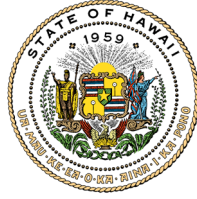
The Department of Budget and Finance (B&F) supports moving this Administration proposal, or a similar bill, as collective bargaining negotiations regarding the issue of temporary hazard pay (THP) are currently in progress and additional appropriations are needed for arbitration awards that have already 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 (DOE), 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. Finally, additional appropriations may be needed for other agreements or arbitration awards that may be resolved prior to the end of the legislative session.

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
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DEPUTY DIRECTOR - WATER

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BOATING AND OCEAN RECREATION
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CONSERVATION AND COASTAL LANDS
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ENFORCEMENT
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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, April 2, 2026
2:00 PM
State Capitol, Conference Room 308

In consideration of
**SENATE BILL 3090, SENATE DRAFT 1, HOUSE DRAFT 1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.**

Senate Bill 3090, Senate Draft 1, 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



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 'I 96810-0119

WRITTEN TESTIMONY
OF
KEITH A. REGAN, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON FINANCE

APRIL 2, 2026, 2:00 P.M.
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 3090, S.D. 1, H.D. 1

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.

Chair Todd, Vice Chair Takenouchi, and members of the Committee, thank you for the opportunity to submit testimony on S.B. 3090, S.D. 1, H.D. 1.

S.B. 3090, S.D. 1, H.D. 1 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.

The Department of Accounting and General Services (DAGS) **supports** S.B. 3090, S.D. 1, H.D. 1. DAGS defers to the Department of Budget and Finance on the amount of the appropriation required for collective bargaining cost items.

Thank you for the opportunity to provide testimony on this measure.



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
April 2, 2026 at 2:00 p.m.

By

Luis P. Salaveria

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

SB 3090 SD1 HD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS.

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

The University of Hawai'i supports SB 3090 SD1 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 October 2025, 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.



STATE OF HAWAII
DEPARTMENT OF HEALTH
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Testimony in SUPPORT of SB 3090, SD1, HD1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

REPRESENTATIVE CHRIS TODD, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 2, 2026, 2:00 PM Room Number: 308

1 **Department Position:** The Department of Health (Department) strongly supports this measure.

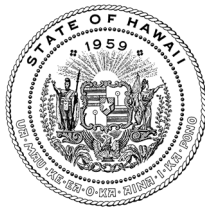
2 **Department Testimony:** The Hawaii State Hospital (HSH) provides the following testimony on
3 behalf of the Department.

4 The Department strongly supports SB 3090, SD1, HD1, which makes emergency
5 appropriations to fund public employment cost items related to temporary hazard pay for
6 employees in bargaining units (1) and (10), and their excluded counterparts.

7 At HSH, these employees were essential personnel who maintained uninterrupted
8 operations of our 24/7 psychiatric hospital during periods of significant risk. Their consistent
9 presence safeguarded both patient care and staff safety at a time when their roles were critical
10 to maintaining stability within a complex clinical environment. HSH could not have continued
11 safe operations without their dedication.

12 The Department has already made the temporary hazard payments required in
13 accordance with arbitration decisions in the amount of \$3,735,863. However, these
14 unbudgeted costs have placed significant strain on the hospital's resources. This measure
15 provides the emergency appropriation necessary to cover these mandated payments, prevent
16 negative operational impacts, and preserve financial stability.

17 Thank you for the opportunity to testify on this measure.



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
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a Ho'oponopono Ola*
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TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Vacant
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

No. _____

TESTIMONY ON SENATE BILL 3090, SENATE DRAFT 1, 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, April 2, 2026, 2:00 p.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** Senate Bill (SB) 3090, Senate Draft (SD) 1, House Draft (HD) 1, which seeks to make emergency appropriations for collective bargaining cost items for the members of Bargaining Units (BU) (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.

SB 3090, SD 1, HD 1 Making Emergency Appropriations
for Public Employment Cost Items.

April 2, 2026

Page 2

Passage of SB 3090, SD 1, 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 SB 3090, SD 1, HD 1.

Thank you for the opportunity to provide testimony in **support** of SB 3090, SD1, HD 1.



STATE OF HAWAII
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Testimony in SUPPORT of SB 3090, SD1, HD1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

REPRESENTATIVE CHRIS TODD, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 2, 2026, 2:00 PM Room Number: 308

1 **Department Position:** The Department of Health (Department) strongly supports this measure.

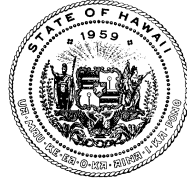
2 **Department Testimony:** The Hawaii State Hospital (HSH) provides the following testimony on
3 behalf of the Department.

4 The Department strongly supports SB 3090, SD1, HD1, which makes emergency
5 appropriations to fund public employment cost items related to temporary hazard pay for
6 employees in bargaining units (1) and (10), and their excluded counterparts.

7 At HSH, these employees were essential personnel who maintained uninterrupted
8 operations of our 24/7 psychiatric hospital during periods of significant risk. Their consistent
9 presence safeguarded both patient care and staff safety at a time when their roles were critical
10 to maintaining stability within a complex clinical environment. HSH could not have continued
11 safe operations without their dedication.

12 The Department has already made the temporary hazard payments required in
13 accordance with arbitration decisions in the amount of \$3,735,863. However, these
14 unbudgeted costs have placed significant strain on the hospital's resources. This measure
15 provides the emergency appropriation necessary to cover these mandated payments, prevent
16 negative operational impacts, and preserve financial stability.

17 Thank you for the opportunity to testify on this measure.



JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'AINA O KA MOKU'AINA 'O HAWAII

STATE OF HAWAII
DEPARTMENT OF HEALTH
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KENNETH S. FINK, M.D., M.G.A., M.P.H.
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

**Testimony in SUPPORT of SB3090 SD1 HD1
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST
ITEMS.**

REP. CHRIS TODD, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 2, 2026

Room Number: 308

1 **Fiscal Implications:** An appropriation is required to make the Department of Health's current
2 fiscal year budget whole, which is currently experiencing a shortfall.

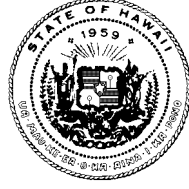
3 **Department Testimony:** The Department of Health (DOH) supports SB3090 SD1 HD1, which
4 is part of the Governor's Administrative Package. This measure will provide appropriations to
5 fund a temporary hazard pay settlement for the State of Hawaii Executive Branch departments,
6 including the Department of Education and University of Hawaii system, with the United Public
7 Workers (UPW) as provided by Act 29, Session Laws of Hawaii 2025.

8 The temporary hazard pay for UPW employees at DOH that was disbursed 2025 was funded
9 with DOH's general funds from the base budget. Additional funding is necessary to replace
10 those general funds otherwise DOH will not have sufficient funds to meet payroll in the
11 4th quarter.

12 Thank you for the opportunity to testify.

13

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



LEANNE GILLESPIE
EXECUTIVE DIRECTOR
LUNA HO'OKELE

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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

April 1, 2026

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

FROM: Leanne Gillespie, Executive Director

SUBJECT: SB 3090 SD1 HD1, MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS

Hearing: Thursday, April 2, 2026 @ 2:00 p.m.
Conference Room 308, State Capitol

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

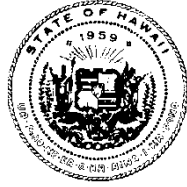
PURPOSE: The purpose of this bill is to make emergency appropriations for collective bargaining cost items for the members of Bargaining Unit (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

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
KE KIA'ĀINA



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
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IN REPLY PLEASE REFER TO:

26:OED

Statement of the
Hawaii Public Housing Authority

Before the
House Committee on Finance

Thursday, April 2, 2026
2:00 PM – Room 308, Hawaii State Capitol

In consideration of
SB 3090, SD1, 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 SB 3090, SD1, 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, April 2, 2026, 2:00 PM
Conference Room 308 & Videoconference

**Re: Testimony on SB3090, SD1, 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 12,000 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** SB3090, SD1, 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.

Since 2022, UPW has vigorously fought to get our members the THP they earned for performing their duties during the COVID-19 pandemic. UPW members ratified a negotiated settlement agreement with the Department of Education (“DOE”) last May. We respectfully request that this measure be passed to resolve any remaining THP grievances with the DOE, as well as the Executive Branch, so that our members can finally receive the THP they earned and are **contractually owed**.

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

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