

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
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JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
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NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Ways and Means
Wednesday, February 25, 2026
10:57 a.m.
Conference Room 211 & Via Videoconference**

**On the following measure:
S.B. 3332 S.D.1, RELATING TO STATE-FUNDED TRAVEL**

Chair Dela Cruz and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department respectfully opposes on this bill.

The purpose of this bill is to: (1) establish a two-year state-funded travel moratorium for certain state agencies, with certain exceptions; (2) permit the Department of Accounting and General Services to adopt rules; and (3) require reports to the Legislature.

The Department is entirely special funded. Our operations, including travel, are supported primarily by special funds such as the Compliance Resolution Fund, which are financed by fees and assessments on regulated industries rather than by general fund appropriations. Because of this, restricting the Department's travel will not directly advance the bill's stated goal of conserving general fund resources, but may still constrain the Department's ability to carry out essential regulatory and consumer protection functions.

Many of the Department's divisions, such as Insurance, Financial Institutions, and Professional and Vocational Licensing, rely on inter-island and out of state travel to participate in examinations, maintain accreditation, and coordinate with national regulatory organizations. While S.B. 3332, S.D. 1, contains exceptions for mandatory work-related travel and certain "high priority state functions," not all critical regulatory travel is clearly captured by those categories. Important activities that protect Hawaii consumers, such as participation in national standards setting bodies and multi state regulatory efforts, may not be strictly "mandatory" in a narrow legal sense but are essential to effective regulation.

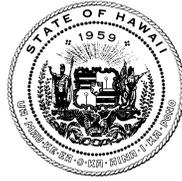
The measure also adds new approval and reporting requirements for every covered trip, including detailed annual reports to the Legislature. The Department is concerned that these layers would be duplicative of existing administrative rules and executive policies governing travel and would divert limited staff resources away from core regulatory and enforcement work, especially for a specially funded agency that already closely manages its own travel budgets.

If the Committee is inclined to move this measure forward, the Department respectfully requests consideration of: (1) exempting specially funded agencies, or providing a broader exception for travel necessary for regulatory compliance, accreditation, and participation in national regulatory organizations; (2) clarifying that commerce, financial regulation, and consumer protection are recognized as high priority state functions for purposes of allowable travel; and (3) minimizing additional reporting obligations where existing travel oversight mechanisms are already in place.

Thank you for the opportunity to testify on this bill.

JOSH B. GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



STACEY A. ALDRICH
STATE LIBRARIAN
Ke Po'o Hale Waihona Puke Moku'āina

STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
'ŌI HANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAII'
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
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Senate Committee on Ways and Means
February 25, 2026, 10:57 a.m.
State Capitol, Room 211

SB 3332 SD1 – Relating to State-Funded Travel

To: Sen. Donovan M. Dela Cruz, Chair
Sen. Sharon Y. Moriwaki, Vice Chair
Members of the Senate Committee on Ways and Means

The Hawai'i State Public Library System (HSPLS) offers **comments** on SB3332 SD1 which establishes a two-year state-funded travel moratorium for certain state agencies, with certain exceptions; permits the Department of Accounting and General Services to adopt rules; and requires reports to the Legislature.

The HSPLS operates 51 branch libraries on six islands, and has over 450 employees statewide. While branch library staff focus on providing services to the public, almost all other necessary support office staff are located on Oahu where approximately 50% of the public libraries are located. Rather than having additional permanent support staff on all neighbor islands, it is more efficient to have HSPLS support staff fly to neighbor island locations on an as-needed basis.

Based on our operational needs, the HSPLS respectfully requests amendments to address the following:

- New subsection (b)(3): add an exception for facilities-related work. The HSPLS has CIP and medium-sized improvement projects on all islands, which may require on-site inspections with consultants, contractors, DAGS and staff. Although DAGS provides some facilities-related support to HSPLS for public library buildings statewide, the HSPLS is still primarily responsible for the management and maintenance of all public libraries. HSPLS does not have any positions dedicated to HSPLS facilities on the neighbor islands.

- Subsection (b)(2): remove the cap on the number of trips an employee may take to neighbor islands if there is insufficient staffing on neighbor islands to perform this type of work. When we need to shut down a library for construction and/or reopen after construction is completed, we surge support staff from Oahu to the library to prepare the library for opening and/or closing. Surging staff helps to implement the work is faster and more efficient, especially for large projects. Limiting the number of trips per employee would negatively impact our ability to perform needed work at our neighbor island libraries.

For example, when we prepare for the reopening of a library after a construction project, our IT staff completely rewire the entire library building. Although there is one IT staff position per neighbor island for regular IT support, they are unable to rewire a library building by themselves. With over 1000 computers and printers statewide, we also have the same limitations when we are doing any computer equipment upgrades and installations.

In another situation, we have one employee who managed the HSPLS transition from bar coded materials to the new RFID system. As the project manager, the employee managed the entire system statewide – from delivery and installation of equipment to all 51 branch libraries, to implementation and training - for all library staff. On an as-needed basis, the employee had to make multiple visits to various islands to ensure a smooth transition to the new technology.

- Subsection (b)(2)(B): similar to the request to remove the cap on the number of trips an employee may take, we request removing the cap on the number of employees that may attend any trip that is approved, if there is insufficient staffing on neighbor islands to perform this type of work. Limiting the number of employees on a trip will slow down completion of the project and/or require multiple trips to complete the project.

Thank you for the opportunity to testify on SB3332 SD1 and for your continued support of the Hawai'i State Public Library System.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/25/2026

Time: 10:57 AM

Location: CR 211 & Videoconference

Committee: WAM

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB3332, SD1, RELATING TO STATE-FUNDED TRAVEL.

Purpose of Bill: Establishes a two-year state-funded travel moratorium for certain state agencies, with certain exceptions. Permits the Department of Accounting and General Services to adopt rules. Requires reports to the Legislature. Effective 1/1/2525. Sunsets 6/30/2028. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3332, SD1. This measure seeks to impose a two-year moratorium on discretionary state-funded travel with certain narrowly defined exceptions that would be repealed on June 30, 2028.

The Department is cognizant of the current higher than usual degree of economic and fiscal uncertainty in which this measure is being considered. While we share the goal of careful prioritization of expenditures in light of this uncertainty, the Department offers the following comments and cautions regarding imposing strict spending controls on travel.

Per Section 302A-1303.6, Hawaii Revised Statutes, public schools rely on reasonably predictable and reliable funding support with which they can program based on their student data and in conjunction with their school community. While the Department appreciates that the bill does exempt certain types of travel from the moratorium, restricting spending for travel can be viewed as usurping decision making discretion currently delegated to school leaders and their community.

The following are some common justifications for in-state travel:

1. To attend leadership/principal meetings;
2. To conduct investigations;
3. To attend or conduct training;
4. To inspect or repair schools or offices; and
5. To participate in labor relations hearings.

The following are some common justifications for out-of-state travel:

1. To fulfill federal grant and program commitments and meet emerging professional development and technical assistance needs of chief state school officers and state educational agencies (i.e. state-level positions);
2. To attend meetings which are mandatory for federal program administration;
3. To represent Hawaii for national educator awards ceremonies or meetings (e.g., State Teacher of the Year, Principal of the Year);
4. To accompany students on student-focused travel (e.g., robotics, band, science fair, other competitions) in compliance with Hawaii State Board of Education Policy 105-18 Field Trips and Student Travel (former policy 2250);
5. To fulfill responsibilities to students who are placed in mainland facilities;
6. To obtain certification which is not available in Hawaii and which is required to achieve an objective in the Strategic Plan (e.g. International Baccalaureate program) and the conference brochure or description includes evidence that certification is offered to attendees;
7. To recruit teachers to fill vacancies in shortage subject areas;
8. To attend a conference or workshop for professional development; and
9. To visit colleges and universities to familiarize college and career counselors with campuses and surrounding areas.

In closing, the Department would note that concerns with the fiscal outlook for the State were communicated in writing to school and complex area leaders in the past year, and the Department's travel guidelines already encourage the use of teleconferencing and webinars in place of travel when feasible.

Thank you for the opportunity to provide testimony on SB 3332, SD1.

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



BONNIE KAHAKUI
ADMINISTRATOR

DAYNA OMIYA
ASSISTANT ADMINISTRATOR

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
STATE PROCUREMENT OFFICE

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TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
WAYS AND MEANS
February 25, 2026, 10:57 a.m.

SENATE BILL 3332, SD1
RELATING TO STATE-FUNDED TRAVEL

Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 3332, SD1. This measure proposes a two-year moratorium for certain state agencies, permits the Department of Accounting and General Services to adopt rules, and requires reports to the Legislature.

The State Procurement Office (SPO) appreciates the intent to promote fiscal responsibility; however, we respectfully offer the following comments on this bill.

Comments

The Department of Accounting and General Services already enforces detailed Hawaii Administrative Rules (HAR) governing travel for all Executive Branch agencies. HAR Chapter 3-10 sets clear standards for approvals, cost control, and accountability to ensure that state-funded travel is managed responsibly and efficiently. Budget execution policies and instructions, issued via executive memoranda annually, include reminders on procedures and guidelines that reinforce the applicability of the HAR for state-funded travel. Additionally, travel guidelines are provided that complements the Rules.

Reference: HAR 3-10 - <https://spo.hawaii.gov/wp-content/uploads/2013/11/HAR310.pdf>.

Current rules already require justification of travel expenses and alignment with state priorities. Senate Bill 3332, SD1, would place additional administrative burdens on agencies. The additional requirements are likely to divert time and resources from essential functions and reduce overall efficiency.

The existing rules allow agencies to evaluate travel requests individually to ensure that critical activities such as professional development, training, and collaboration are not disrupted. A blanket moratorium, even with exceptions, risks limiting the State's ability to respond quickly to emerging needs and beneficial opportunities.

Current policies emphasize cost-effective travel and encourage remote participation whenever practical. At the same time, policies recognize that engagement with peers is vital for professional growth.

Recommendation

The SPO recommends the following:

- Delete entire language from Section 2, Page 2, lines 1-21; Page 3, lines 1-20; and Page 4, lines 1-13.
- Revise Section 2, Page 4, lines 14-20, and Page 5, lines 1-8: Revise (f), which becomes (a), to read as follows:

"(a) [~~(f)~~] Each state agency shall submit an annual report of its state-funded travel to the senate standing committee on ways and means and house standing committee on finance no later than thirty days prior to the convening of the regular sessions of 2027 and 2028. Each report submitted shall include:

- ~~[(1) The number of trips approved pursuant to this Act;~~
- ~~— (2) The purpose and location of each trip;~~
- ~~— (3) The total cost of each trip, including airfare, lodging, registration, and per diem;~~
- ~~— (4) Identification of whether the travel was approved pursuant to subsection (b) (1) or (2);~~
- ~~— (5) A brief explanation of how each trip advanced a high-priority state function;~~
- ~~— (6) Certification that remote participation alternatives were evaluated and determined to be insufficient; and~~
- ~~— (7) Identification of all travelers by position number.]~~

- (1) Identification of all travelers by position number;
- (2) The number of trips approved for each position;
- (3) The purpose and location of each trip;
- (4) A brief explanation of how each trip advanced a high priority state function;
- (5) Certification that remote participation alternatives were evaluated and determined to be insufficient; and
- (6) Total cost of each trip, including airfare, lodging, transportation, registration, and per diem;"

- In Section 2, Page 5, lines 10-21, retain language stated in (g), which becomes (b):

"(b) [~~(h)~~] As used in this Act, "state agency" means all executive departments, boards, commissions, bureaus, offices, agencies, and all independent commissions and other establishments of the state government, including the university of Hawaii, and all quasi-public institutions which are supported in whole or in part by, or which handle state or public funds; provided that "state agency" does not include:

- (1) The judiciary and its staff;
- (2) The legislature, its committees, and its staff;
- (3) The governor and the governor's staff; or
- (4) The lieutenant governor and the lieutenant governor's staff."

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



The Senate Committee on Ways and Means
February 25, 2026
Room 211
10:57 AM

RE: SB 3332 SD1, Relating to State-Funded Travel

Attention: Chair Donovan M. Dela Cruz, Vice Chair Sharon Moriwaki, Members of the Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **opposes SB 3332 SD1.**

While we support the legislature's goal of ensuring fiscal responsibility, this measure represents an unnecessary legislative intrusion into the day-to-day management of state operations. Determining which professional activities require travel is a fundamental management decision that must be based on the specific operational needs and requirements of each department or unit, rather than a broad statutory mandate.

SB 3332 SD1 attempts to micromanage these operational decisions through a "one-size-fits-all" approach that imposes arbitrary caps on the frequency of travel for individual employees. By removing the flexibility to address specific operational needs, this bill creates structural inefficiencies that could hinder the State's ability to execute its functions effectively.

Rather than imposing rigid statutory moratoriums that strip management of its authority to lead, we suggest that the legislature rely on existing administrative mechanisms to ensure fiscal prudence. Departments should retain the autonomy to establish and enforce rigorous criteria for approving travel that weigh the costs against the operational necessity and value of the activity. This approach ensures accountability without sacrificing the operational effectiveness of the workforce.

We respectfully urge the Committee to DEFER SB 3332 SD1.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. L. Fern'.

Christian L. Fern
Executive Director
University of Hawaii Professional Assembly

**University of Hawaii
Professional Assembly**

SB-3332-SD-1

Submitted on: 2/23/2026 5:29:17 PM

Testimony for WAM on 2/25/2026 10:57:00 AM

Submitted By	Organization	Testifier Position	Testify
Nandita Sharma	Individual	Oppose	Written Testimony Only

Comments:

I am writing in **strong opposition** to SB3332. I teach at UH Manoa (UHM). As you know, UHM is a Research 1 university. Access to state-funded travel is a crucial part of the job of university professors and is a critical component of our ability to engage in academic research. Research is a significant component of our job and what allows UH students to have instructors who a) directly engage in important research and b) can connect them to a worldwide network of researchers. Attending conferences - one of the main purposes of state-funded travel at UHM - is critical to our work as researchers. It is at academic conferences where we present our research and have it vetted by other experts in our respective fields. It is also often in these collegial exchanges that new research questions arise and new research collaborations are entered into.

State-funded travel for academic research/conferences is a tiny part of the HI state budget. Removing it will have no appreciable effect on its budget situation but will have an enormous and highly detrimental effect on the quality of higher education in HI. Students and employees of UH deserve better.

I urge you to oppose this mean-spirited and bizarre Bill.

SB-3332-SD-1

Submitted on: 2/24/2026 12:19:52 AM

Testimony for WAM on 2/25/2026 10:57:00 AM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Support

3332 SB RELATING TO STATE-FUNDED TRAVEL.

ALTERNATIVE ZOOM AND INVITE CONFERENCE...HELD IN HAWAII

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 96810-0119

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

COMMITTEE ON WAYS AND MEANS

FEBRUARY 25, 2026, 10:57 A.M.
CONFERENCE ROOM 211 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 3332, S.D. 1

RELATING TO STATE-FUNDED TRAVEL

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee, thank you for the opportunity to submit testimony on S.B. 3332, S.D. 1.

The Department of Accounting and General Services (DAGS) offers **support** on S.B. 3332, S.D. 1, which seeks to establish a two-year moratorium on discretionary state-funded travel. We appreciate the changes incorporated into the previous version of this measure and would like to offer our testimony in support.

We would like to note for the committee that comprehensive administrative rules are in place that govern travel for all executive branch departments. These rules, outlined in Hawaii Administrative Rules (HAR) Chapter 3-10, provide clear guidelines for travel approval, cost management, and accountability. These existing regulations ensure that state-funded travel is conducted responsibly and efficiently, making additional legislation redundant. The rules can be reviewed online at:
<https://spo.hawaii.gov/wp-content/uploads/2013/11/HAR310.pdf>

Based on the department's years of administering these rules, we believe the existing administrative rules on travel provide a robust framework for managing state-funded travel. Thank you for this opportunity to testify.

JOSH GREEN, M.D.
GOVERNOR

Kim Williamson
Principal



KEITH T. HAYASHI
SUPERINTENDENT

STACEY BELLO
COMPLEX AREA
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
PĀHOA HIGH AND INTERMEDIATE SCHOOL
15-3038 PĀHOA VILLAGE ROAD
PĀHOA, HAWAII 96778

Kim Williamson
Principal
Pāhoa High and Intermediate School
15-3038 Puna Road
Pāhoa, HI 96778

February 24, 2026

The Honorable Members of the Thirty-Third Legislature
State Capitol
415 South Beretania Street
Honolulu, HI 96813

RE: Opposition to S.B. No. 3332, S.D. 1 – Relating to State-Funded Travel

Dear Chair and Members of the Committees:

I am writing to you today as the Principal of Pāhoa High and Intermediate School to express my strong opposition to S.B. 3332, S.D. 1. While I recognize the "fiscal uncertainty" and the need for "prudent stewardship of taxpayer funds", the proposed two-year moratorium on state-funded travel will inadvertently stifle the professional growth of our educators and ultimately disadvantage the students of Hawai'i.

As an educational leader in a rural community, I have seen firsthand that high-quality professional development is not a "discretionary activity" —it is an essential investment. My opposition is based on the following critical concerns:

To provide our students with a world-class education, our teachers must have exposure to the most recent and up-to-date pedagogy. Out-of-state and inter-island conferences provide access to high-caliber presenters and innovative instructional strategies that are often unavailable locally. Restricting this travel limits our ability to bring global best practices back to our classrooms in Pāhoa.

The measure suggests that travel should only be approved if training "cannot be effectively conducted remotely". However, our experience proves that online and virtual attendance is significantly less effective. Virtual participants are often forced to multi-task, diminishing the impact of the content. Remote platforms cannot replicate the meaningful, spontaneous interactions with presenters and peers that occur in person.

Recorded sessions are the least effective tool; they are frequently postponed and rarely watched thoroughly, rendering the registration costs a true waste of public funds.

The bill requires "clear and measurable benefit to the State" and limits employees to three trips per fiscal year. While these accountability measures seem reasonable on paper, the administrative burden of certifying that remote alternatives are "insufficient" creates a barrier that will discourage educators from seeking the very training they need to improve student outcomes in "Education and workforce development".

The "fiscal uncertainty" cited in Section 1 should not be addressed by compromising the quality of our teaching force. I urge you to reconsider this moratorium and instead trust school administrators to continue managing their budgets responsibly without a blanket prohibition on professional growth.

Thank you for your time and for your dedication to the people of Hawai'i.

Sincerely,

Kim Williamson

Principal, Pāhoa High and Intermediate School