

Honolulu, Hawaii

FEB 17, 2026

RE: H.B. No. 1663
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 H.B. No. 1663
entitled:

"A BILL FOR AN ACT RELATING TO REIMBURSEMENT OF PUBLIC
OFFICERS AND EMPLOYEES,"

begs leave to report as follows:

The purpose of this measure is to establish reimbursement
procedures if an officer or employee opts to loan the State or a
county money for work-related travel costs.

Your Committee received testimony in support of this measure
from the University of Hawaii Professional Assembly; United Public
Workers, AFSCME Local 646, AFL-CIO; and Hawaii Government
Employees Association, AFSCME Local 152, AFL-CIO. Your Committee
received comments on this measure from the State Procurement
Office and Hawai'i State Public Library System.

Your Committee finds that public officers and employees
sometimes incur significant out-of-pocket expenses when advancing
their own funds for official travel, creating financial
uncertainty when reimbursements are delayed. Your Committee
further finds that there is currently no clear deadline for
reimbursement or guidance ensuring fair treatment when travel is
canceled or only partially refundable, resulting in
inconsistencies across state and county departments and agencies.



Your Committee believes that establishing firm reimbursement timelines, authorizing interest for delayed payments, and ensuring reimbursement in cases where vendor refunds are unavailable provides a consistent and equitable system that protects employees from undue financial burden.

Your Committee has amended this measure by:

- (1) Clarifying the reimbursement procedures and requirements when:
 - (A) An officer or employee loans the State or a county money for travel costs; or
 - (B) An officer or employee loans the State or a county money for travel costs and the travel is cancelled or the officer or employee can no longer participate through no fault of their own;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 H.B. No. 1663, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1663, H.D. 1, and be referred to your Committee on Finance.

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



JACKSON D. SAYAMA, Chair



