

STAND. COM. REP. NO. 3349

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 1890
H.D. 3
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Labor and Technology and Education, to which was referred H.B. No. 1890, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Notwithstanding any other law to the contrary, authorize public school teachers to be eligible for annual step salary increases (annual increments) under specified conditions, if the increases are provided for in a collective bargaining agreement negotiated under section 89-9, Hawaii Revised Statutes, subject to the availability of funds;
- (2) Authorize public school teachers to be eligible for longevity step increases under specified conditions, subject to the availability of funds; and
- (3) Appropriate funds for teacher retention bonuses.

Your Committees received testimony in support of this measure from the Hawai'i State Teachers Association, Democratic Party of Hawai'i Education Caucus, and eleven individuals.



Your Committees received testimony in opposition to this measure from the Department of Budget and Finance and Office of Collective Bargaining.

Your Committees received comments on this measure from the Department of the Attorney General; Department of Education; State Public Charter School Commission; and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committees find that teachers in the State are financially struggling due to the burden imposed by the State's high cost of living. When taking the State's high cost of living into account, teachers in the State are among the lowest paid in the nation. Your Committees further find that this financial strain directly contributes to the persistently high turnover rate among the State's teachers. Nearly half of the teachers in the State leave the profession or the State altogether within five years of beginning their careers. This high attrition poses a significant problem for students and the stability of schools in the State. Your Committees also find that establishing an automatic annual salary step and furnishing retention bonuses for teachers will provide them with the stability and predictability needed to remain in the classroom. This measure will improve teacher recruitment and retention in the State by ensuring salary progression as a consistent part of a teacher's professional career.

Your Committees further note the concern raised by the Department of the Attorney General that this measure, in its current form, conflicts with chapter 89, Hawaii Revised Statutes, which governs collective bargaining in public employment, because wages, including incremental and longevity steps, are subject to negotiation through collective bargaining. Your Committees also note the concern raised by the Department of the Attorney General that the ambiguity of the phrase "subject to the availability of funds", when read in conjunction with the phrase "[n]otwithstanding any other law to the contrary", may be construed to authorize the reallocation or transfer of funds from other Department of Education Program IDs to cover the costs of the annual salary step increases. Your Committees additionally note the testimony by the State Public Charter School Commission that annual salary increases should be extended to teachers in public charter schools. Furthermore, while your Committees



recognize and appreciate the work performed by the State's teachers, including those belonging to Bargaining Unit (5), your Committees note that the teacher retention bonuses for eligible members of Bargaining Unit (5) are not included in the applicable collective bargaining agreement. Thus, amendments to this measure are necessary to address these issues.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed for annual increments notwithstanding any other law to the contrary;
- (2) Clarifying that eligibility for longevity step increases is also subject to the condition that the increases are provided for in a collective bargaining agreement negotiated under section 89-9, Hawaii Revised Statutes;
- (3) Clarifying that the annual increments and longevity step increases shall be subject to approval of the collective bargaining agreement and funding from the Legislature;
- (4) Inserting language:
 - (A) Specifying that any collective bargaining agreement negotiated pursuant to section 89-9, Hawaii Revised Statutes, that provides for annual increments or longevity step increases and requires the expenditure of public funds shall be subject to funding by a specific appropriation enacted by the Legislature;
 - (B) Clarifying that the collective bargaining agreement shall not be effective or enforceable unless the Legislature appropriates sufficient funds for its implementation; and
 - (C) Authorizing the Legislature to reject the collective bargaining agreement in whole by declining to appropriate the funds necessary for its implementation;



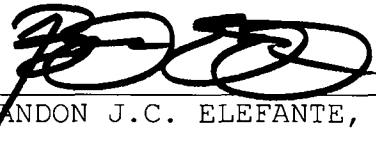
- (5) Inserting language to allow annual increments and longevity step increases for public charter school teachers under certain conditions;
- (6) Deleting language that would have appropriated funds to be expended by the Department of Education for teacher retention bonuses for certain members of Bargaining Unit (5);
- (7) Amending section 1 to reflect its amended purpose;
- (8) Inserting an effective date of January 1, 2077, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Technology and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1890, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1890, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Labor and
Technology and Education,



DONNA MERCADO KIM, Chair




BRANDON J.C. ELEFANTE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

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|--|---------------------|-----------------|-----|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 1890 HD3 | LBT/EDU, WAM | 3-23-26 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: | | | | |
| <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| ELEFANTE, Brandon J.C. (C) | ✓ | | | |
| LAMOSAO, Rachele (VC) | ✓ | | | |
| IHARA, Jr., Les | | | | ✓ |
| MORIWAKI, Sharon Y. | ✓ | | | ✓ |
| FEVELLA, Kurt | ✓ | | | |
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| TOTAL | 4 | 0 | 0 | 2/1 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
|  | | | | |
| Distribution: | | | | |
| Original | Yellow | Pink | | |
| File with Committee Report | Committee | Drafting Agency | | |

*Only one measure per Record of Votes

