

Honolulu, Hawaii

FEB 20 , 2026

RE: H.B. No. 2315
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. 2315, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE EMPLOYEE BENEFITS,"

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Health to establish a three-year Vacation Payout Pilot Program that allows eligible departmental employees to liquidate a portion of their earned and accrued vacation leave to fund the down payment of a personal primary residence.

Your Committee received testimony in support of this measure from the Department of Health; United Public Workers, AFSCME Local 646, AFL-CIO; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that persistent vacancy rates across state agencies are driven in part by the State's high cost of living and the difficulty many workers face in saving enough for a down payment on a first home. Younger employees, lower- and middle-income workers, and renters are disproportionately affected, limiting workforce stability and contributing to long-term recruitment and retention challenges. Your Committee believes that allowing eligible employees to convert a portion of their accumulated vacation leave into down payment assistance will



help state workers achieve homeownership, improve employee retention, and strengthen the State's workforce over time.

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. 2315, H.D. 1, and recommends that it be referred to your Committee on Finance.

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



JACKSON D. SARAMA, Chair



