

Honolulu, Hawaii

MAR 30, 2026

RE: S.B. No. 3180
S.D. 1
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 S.B. No. 3180, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE EMPLOYMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Repeal the limitation on the temporary employment of a person in a single position to two terms of eighty-nine days;
- (2) Require each department and agency to submit an annual report to the Legislature regarding the use of eighty-nine-day hires; and
- (3) Automatically abolish positions that have been vacant for more than forty-eight months.

Your Committee received testimony in support of this measure from the Department of Human Resources Development and Grassroot Institute of Hawaii. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received comments on this measure from the Department of Education;



Department of Labor and Industrial Relations; Hawaii State Public Library System; and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committee finds that state agencies continue to experience persistent vacancies due to historically low unemployment and challenges in recruiting and retaining qualified applicants, which can impede the delivery of essential public services. Existing restrictions on eighty-nine-day hires, including limitations on rehiring retirants, limit agencies' ability to maintain operational continuity during extended recruitment periods, while long-standing vacant positions tie up resources and reduce workforce accountability.

Your Committee further finds that H.B. No. 2359, H.D. 1 (Regular Session of 2026), was previously passed by your Committee and better addresses the ongoing shortages in specialized positions that remain vacant for long periods. Your Committee believes that the State can better utilize the knowledge and experiences of retirants by allowing them to be rehired for a certain period.

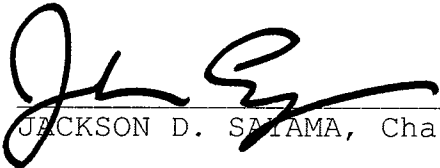
Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of H.B. No. 2359, H.D. 1, a measure that:

- (1) Establishes a five-year pilot program allowing retirants to be rehired for exempt service for one-year terms under certain circumstances;
- (2) Provides that retirants employed under the program are excluded from the Hawaii Employer-Union Health Benefits Trust Fund and will not experience an interruption of pension benefits;
- (3) Requires an employer of a retirant under the program to contribute to the Employees' Retirement System;
- (4) Requires the Department of Human Resources Development to submit a report to the Legislature; and
- (5) Contains an effective date of July 1, 3000.



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 S.B. No. 3180, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3180, S.D. 1, 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. SAMAMA, Chair



