



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-THIRD LEGISLATURE, 2026**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 2172, H.D. 1, RELATING TO EMPLOYMENT OF RETIRANTS.

**BEFORE THE:**

HOUSE COMMITTEE ON LABOR

**DATE:** Tuesday, February 17, 2026      **TIME:** 9:00 a.m.

**LOCATION:** State Capitol, Room 309

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or  
Jenny J.N.A. Nakamoto, Deputy Attorney General

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Chair Sayama and Members of the Committee:

The Department of the Attorney General (Department) provides the following comments.

The bill establishes a five-year pilot program authorizing the Department of Education (DOE) to rehire retired teachers and education officers for hard-to-staff positions.

New section 302-A- (b), Hawaii Revised Statutes (HRS) (page 3, lines 9-12), provides:

(b) A retirant may be employed without reenrollment in the employees' retirement system and suffer no loss or interruption of benefits provided under chapters 87A and 88 if the retirant is employed under this section.

This provision is unclear as to whether the Employees' Retirement System (ERS) or the DOE would have the authority and responsibility to administer this requirement.

New section 302A- (h), HRS, (page 5, lines 14-17) provides that the retirant shall be included in the appropriate bargaining unit for purposes of payment of dues and grievance protections but excluded from tenure and promotion provisions. While the Legislature has authority to amend chapter 89, HRS, the Department is concerned that this subsection would effectively impose terms and conditions of employment that are ordinarily subject to collective bargaining agreements negotiated pursuant to chapter

89, HRS. Consequently, the Department recommends deleting new section 302A- (h) on page 5, lines 14-17, and renumbering subsequent subsections accordingly.

New section 302A- (j), HRS (page 6, lines 5-10), authorizes the superintendent to establish a salary schedule for retirants. To the extent retirants are included in a bargaining unit under chapter 89, HRS, compensation is a mandatory subject of collective bargaining and is governed by the applicable collective bargaining agreement. Authorizing the superintendent, by statute, to establish a separate salary schedule may therefore conflict with existing agreements negotiated pursuant to chapter 89, HRS. The Department recommends deleting new section 302A- (j) on page 6, lines 5-10, and renumbering the subsequent subsection accordingly.

Further, to avoid uncertainty regarding the treatment of a retirant rehired under this pilot program the Department recommends the following revisions:

Replace the amendment to the definition of "Employee beneficiary" in section 87A-1, HRS, in section 5 of the bill at page 25, lines 5-7, with the following:

**"Employee-beneficiary" does not include any retirant employed under section 302A- during the retirant's employment under that section for employee-beneficiaries hired after June 30, 2026.**

Replace the proposed section 88-9(d)(6), HRS, on page 27, line 20, with the following:

**In a position under section 302A- hired after June 30, 2026.**

Insert the following section beginning on page 28, line 1:

**SECTION 7. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.**

Renumber subsequent sections as appropriate.

Thank you for the opportunity to provide these comments.



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

**Date:** 02/17/2026

**Time:** 09:00 AM

**Location:** 309 VIA VIDEOCONFERENCE

**Committee:** LAB

**Department:** Education

**Person Testifying:** Keith T. Hayashi, Superintendent of Education

**Title of Bill:** HB2172, HD1, RELATING TO EMPLOYMENT OF RETIRANTS.

**Purpose of Bill:** Establishes a 5-year pilot program to authorize the Department of Education to rehire retired teachers and educational officers for hard-to-staff positions. Repeals 6/30/2031. Effective 7/1/3000. (HD1)

**Department's Position:**

The Hawaii State Department of Education (Department) provides comments regarding HB 2172 HD 1 to address persistent teacher and educational officer shortages by allowing retired educators to return to service. The Department shares the Legislature's commitment to exploring innovative approaches to Hawaii's recruitment and retention challenges.

While we support the intent of this measure, we respectfully offer the following considerations:

Successfully implementing annual certification requirements, reappointment processes, and compliance monitoring would require additional resources and staffing support for our human resources system to ensure smooth operations and program success.

Additionally, the bill raises labor relations concerns by allowing compensation structures outside existing collective bargaining agreements. Establishing separate salary schedules for retired employees could lead to contractual conflicts, grievances, and delays in implementation.

Finally, the bill's success depends on attracting a sufficient pool of retirees willing and able to return to full-time teaching or educational officer positions. We note that amendments to the bill now require that individuals must not have held employment with the State or a county within the twelve calendar months immediately preceding re-employment. Currently, the Department lacks the necessary data to estimate the number of retirees who would be willing to return to work under this condition.

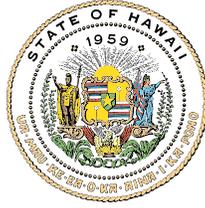
The Department remains committed to working with the Legislature to develop

comprehensive solutions to our educator workforce challenges.

Thank you for the opportunity to provide testimony on HB 2172 HD 1.

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR



KALBERT K. YOUNG  
EXECUTIVE DIRECTOR

GAIL STROHL  
DEPUTY EXECUTIVE DIRECTOR

**STATE OF HAWAII  
EMPLOYEES' RETIREMENT SYSTEM**

TESTIMONY BY KALBERT YOUNG  
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON EDUCATION  
ON  
HOUSE BILL NO. 2172 HD1

**February 17, 2026**

**9:00 AM**

**Conference Room 309 and VIA Videoconference**

RELATING TO EMPLOYMENT OF RETIRANTS.

Chair Sayama, Vice Chair Lee, and Members of the Committee,

While the Board of Trustees (BOT) has not had a chance to review the bill, the Employees' Retirement System (ERS) appreciates the intent of HB 2172 HD1 and is thankful for the opportunity to offer comments respectfully recommending amendments to this measure.

HB 2172 HD1 proposes to amend Section 88-9 of the Hawaii Revised Statutes (HRS) to allow positions identified under an amendment to Chapter 302A to be filled by a retiree without reenrollment into the system after a twelve-calendar month break.

For purposes of regulatory oversight and conformity with other parts of the section, the ERS would like to respectfully offer the following amendments to Section 6 of the bill, paragraph (6) starting on page 27, line 20 to mirror paragraphs (4) and (5) to read:

"(6) In a position under 302A ; provided that:



Employees' Retirement System  
of the State of Hawaii

- (D) The retirant was not employed by the State or a county during the twelve calendar months prior to the first day of reemployment;
- (E) No agreement was entered into between the State or a county and the retirant prior to the retirement of the retirant, for the return to work by the retirant after retirement;
- (F) Each employer shall contribute to the pension accumulation fund the required percentage of the rehired retirant's compensation to amortize the system's unfunded actuarial accrued liability.”

The ERS respectfully recommends that the above requirements for a twelve-month bona fide break in service, prohibition of a post-retirement employment agreement, as well as the requirement of employer contributions to be made for the amortization of the system's unfunded liability are included in Section 88-9(d) as the chapter governing the system, for the positions stipulated under section 302A.

As this bill progresses, the above components are important for the stability and sustainability of the pension system. ERS advises that the requirement for a twelve-calendar month break along with the prohibition on post-retirement agreements to return to work remain in any future drafts. These provisions would be consistent with existing statute that currently permit the return of other teacher or administrator positions identified in a shortage area or as a new classroom teacher mentor.

These requirements provide for a separation from employment sufficient to prevent a prohibited expectation of reemployment as a retiree. This prevention from a reasonable expectation from reemployment is especially important when the retiree is returning to a position which performs similar duties in a similar capacity as those performed prior to retirement. This break also provides for consistent general application of the retirement statutes which are important components expected as requirements to retain the tax qualified (exempt) status under Internal Revenue Code (IRC) for the state's pension system.

We support the HB 2172 HD1 requirements for funding contributions to be required by the employer towards the pension accumulation fund to amortize the system's unfunded accrued liability which mitigates the lost contributions when these positions are filled with unenrolled retirees rather than active members or reenrolled retirees earning retirement benefits. The amount employers will contribute under the proposed approach will be less than for a conventional employee who is also a ERS member working towards a pension. There is no requirement for the employee to fund the pension accumulation expense.

Thank you for the opportunity to provide comments recommending amendments on HB 2172 HD1.



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**Osa Tui, Jr.**  
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**Logan Okita**  
Vice President

**Cheney Kaku**  
Secretary-Treasurer

**Andrea Eshelman**  
Executive Director

## TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON LABOR

**Item: HB 2172, HD1 – Relating to Employment of Retirants**

**Position: Support**

**Hearing: Tuesday, February 17, 2026, 9:00 am, Room 309**

**Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association**

Dear Chair Sayama, Vice Chair Lee, and members of the committee,

The Hawai'i State Teachers Association (HSTA) **supports** H.B. 2172, HD1, which establishes a 5-year pilot program to authorize the Department of Education to rehire retired teachers and educational officers for hard-to-staff positions. Currently, the department continues to face a critical shortage of qualified teachers, particularly in specialized subject areas and hard-to-staff geographic regions. This chronic shortage denies students consistent, high-quality instruction.

H.B. 2172, HD1 provides a structured way to fill these vacancies with experienced local talent. Under the pilot program, retired teachers can return to the classroom without an interruption of their retirement benefits. To ensure the program is used effectively, the Superintendent must certify in writing that the department has conducted a good-faith recruitment effort or that the position is in a licensure area or geographic complex with a systemic shortage.

For each rehired retiree, the department will contribute the employer's share of the unfunded actuarial accrued liability, helping to pay down state debt without creating new pension obligations. This legislation creates a practical pathway to utilize the expertise of retired educators to provide stability for our school communities.

Mahalo for the opportunity to testify in support of our schools and educators.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii  
House of Representatives  
Committee on Labor

Testimony by  
Hawaii Government Employees Association

February 17, 2026

H.B. 2172, H.D. 1 — RELATING TO EMPLOYMENT OF RETIRANTS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO wishes to provide comments on H.B. 2172, H.D. 1, which seeks to establish a 5-year pilot program to authorize the Department of Education to rehire retired teachers and educational officers for hard-to-staff positions.

Section 2 of the bill adds a new section to chapters 302A, Hawaii Revised Statutes (HRS), which includes, but is not limited to, the following:

Paragraph (h) of part III, subpart B, states:

The retirant shall be included in the appropriate bargaining unit under section 89-6 for the payment of dues and grievance protections, but shall be excluded from tenure and promotion provisions.

Paragraph (j) of part III, subpart B, states:

The superintendent may establish a salary schedule for retirants employed by the department that differs from the applicable collective bargaining agreement negotiated under chapter 89; provided that the salary of the retirant shall not exceed the maximum salary step for the position's classification in the collective bargaining agreement.

Therefore, if the superintendent elects to establish a different salary schedule under paragraph (j), the superintendent must negotiate the proposed salary schedule with the respective exclusive representative pursuant to chapter 89-9 (HRS), as retirants remain part of their appropriate bargaining units under paragraph (h).

Thank you for the opportunity to provide comments on H.B. 2172, H.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director

**HB-2172-HD-1**

Submitted on: 2/14/2026 4:00:17 PM

Testimony for LAB on 2/17/2026 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

SUPPORT