

JOSH GREEN, M.D.  
GOVERNOR OF HAWAII  
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
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KENNETH S. FINK, M.D., M.G.A., M.P.H.  
DIRECTOR OF HEALTH  
KA LUNA HO'OKELE

**Testimony in SUPPORT of HB2271 HD2 SD1**  
**MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST**  
**ITEMS.**

SENATOR DONOVAN M. DELA CRUZ, CHAIR  
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: April 1, 2026

Room Number: 211

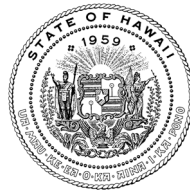
1 **Fiscal Implications:** An appropriation is required to make the Department of Health's current  
2 fiscal year budget whole, which is currently experiencing a shortfall.

3 **Department Testimony:** The Department of Health (DOH) supports HB2271 HD2 SD1, which  
4 is part of the Governor's Administrative Package. This measure will provide appropriations to  
5 fund a temporary hazard pay settlement for the State of Hawaii Executive Branch departments,  
6 including the Department of Education and University of Hawaii system, with the United Public  
7 Workers (UPW) as provided by Act 29, Session Laws of Hawaii 2025.

8 The temporary hazard pay for UPW employees at DOH that was disbursed 2025 was funded  
9 with DOH's general funds from the base budget. Additional funding is necessary to replace  
10 those general funds otherwise DOH will not have sufficient funds to meet payroll in the  
11 4<sup>th</sup> quarter.

12 Thank you for the opportunity to testify.

13



JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

SETH S. COLBY, Ph.D.  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

**WRITTEN ONLY**

TESTIMONY BY SETH S. COLBY, Ph.D.  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON WAYS AND MEANS  
ON  
HOUSE BILL NO. 2271, H.D. 2, S.D. 1

**April 1, 2026  
10:03 a.m.**

**Room 211 and Videoconference**

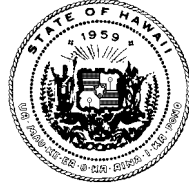
**MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS**

The Department of Budget and Finance (B&F) supports moving this Administration proposal, or a similar bill, as collective bargaining negotiations regarding the issue of temporary hazard pay (THP) are currently in progress and additional appropriations are needed for arbitration awards that have already been issued and for a supplemental arbitration award.

House Bill No. 2271, H.D. 2, S.D. 1, appropriates and authorizes unspecified amounts to cover the balance of requirements associated with a THP settlement agreement for employees of the Department of Education, as well as arbitration awards for employees of the University of Hawai'i and other State of Hawai'i Executive Branch departments represented by United Public Workers, Bargaining Units (BU) 1 and 10, as provided by Act 29, SLH 2025, and the supplemental award issued for employees of the other State of Hawai'i Executive Branch departments for BUs 1 and 10 that is now final. In addition, additional appropriations may be needed for other agreements or arbitration awards that may be resolved prior to the end of the legislative session.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



LEANNE GILLESPIE  
EXECUTIVE DIRECTOR  
LUNA HO'OKELE

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STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
DEPARTMENT OF HUMAN SERVICES  
KA 'OIHANA MĀLAMA LAWELAWE KANAKA  
**OFFICE OF YOUTH SERVICES**  
**Ke'ena Lawelawe 'Ōpio**  
1010 Richards Street, Suite 314  
Honolulu, Hawaii 96813

March 30, 2026

TO: The Honorable Senator Donovan M. Dela Cruz, Chair  
The Honorable Senator Sharon Y. Moriwaki, Vice Chair  
Committee on Ways and Means

FROM: Leanne Gillespie, Executive Director

SUBJECT: HB 2271 HD2 SD1, MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC  
EMPLOYMENT COST ITEMS

Hearing: Wednesday, April 1, 2026 @ 10:03 a.m.  
Conference Room 211, State Capitol

**DEPARTMENT'S POSITION:** The Office of Youth Services (OYS) supports this measure.

**PURPOSE:** The purpose of this bill is to make emergency appropriations for collective bargaining cost items for the members of Bargaining Unit (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

Members of collective Bargaining Units (1) and (10) were awarded sums related to temporary hazard pay (THP). OYS was not awarded an additional appropriation to cover these THP payments. OYS covered the THP payments using \$719,820.50 from our base budget. OYS appreciates the support of the committee and respectfully requests an appropriation to replenish our base budget to cover operational expenses.

Thank you for the opportunity to provide comments.

AN EQUAL OPPORTUNITY AGENCY



# UNIVERSITY OF HAWAII SYSTEM

## ‘ŌNAEHANA KULANUI O HAWAII

### Legislative Testimony

### Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

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Testimony Presented Before the  
Senate Committee on Ways and Means  
April 1, 2026 at 10:03 a.m.

By

Luis P. Salaveria

Vice President for Budget and Finance/Chief Financial Officer  
University of Hawai'i System

### HB 2271 HD2 SD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

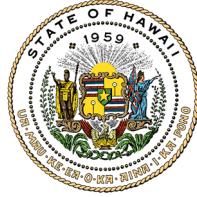
The University of Hawai'i **supports** HB 2271 HD2 SD1 – Making Emergency Appropriations For Public Employment Cost Items. This bill makes emergency appropriations for collective bargaining cost items for members of BU01 and BU10 and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

In this fiscal year, the University of Hawai'i (UH) paid nearly \$6 million in temporary hazard pay to current and former UPW employees or their beneficiaries as a result of an arbitration award. Although funds were appropriated in Act 29, Session Laws of Hawai'i 2025, they were insufficient to fully cover the costs for every department in the state, and UH has not received its share of general funds, amounting to \$5,260,963.48, to cover the costs associated with these payments that were already made. We respectfully request the inclusion of these funds to make UH whole in this matter.

Thank you for this opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621  
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CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

RYAN K.P. KANAKA'OLE  
FIRST DEPUTY

CIARA W.K. KAHAHANE  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES  
ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**Testimony of  
RYAN K.P. KANAKA'OLE  
Acting Chairperson**

**Before the Senate Committee on  
WAYS AND MEANS**

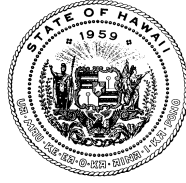
**Wednesday, April 1, 2026  
10:03 AM  
State Capitol, Conference Room 221**

**In consideration of  
HOUSE BILL 2271, HOUSE DRAFT 2, SENATE DRAFT 1  
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.**

House Bill 2271, House Draft 2, Senate Draft 1 proposes to make emergency appropriations for public employment cost items for Fiscal Year 2025-26. This measure also helps ensure that there is sufficient funding to reimburse departments for temporary hazard pay payments made earlier in the fiscal year to employees in Unit 1 and their excluded counterparts. **The Department of Land and Natural Resources supports this measure.**

This proposal provides necessary reimbursement authority to maintain fiscal stability within departmental budgets while ensuring that compensation obligations already incurred are properly met. Without this authority, departments may experience unintended budgetary shortfalls despite existing commitments. This measure promotes sound fiscal management and allows the State to fulfill its obligations.

Mahalo for the opportunity to comment on this measure.



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
KA 'OIHANA OLAKINO  
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WRITTEN  
TESTIMONY ONLY

**Testimony in SUPPORT of HB 2271, HD2, SD1  
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS**

SENATOR DONOVAN M. DELA CRUZ, CHAIR  
SENATOR SHARON Y. MORIWAKI, VICE CHAIR  
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: April 1, 2026, 10:03 AM      Room Number: 211

1    **Department Position:** The Department of Health (Department) strongly supports this measure.

2    **Department Testimony:** The Hawaii State Hospital (HSH) provides the following testimony on  
3    behalf of the Department.

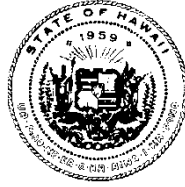
4            The Department strongly supports HB 2271, HD2, SD1 which makes appropriations to  
5    fund public employment cost items related to temporary hazard pay for employees in  
6    bargaining units (1) and (10), and their excluded counterparts.

7            At HSH, these employees were essential personnel who maintained uninterrupted  
8    operations of our 24/7 psychiatric hospital during periods of significant risk. Their consistent  
9    presence safeguarded both patient care and staff safety at a time when their roles were critical  
10   to maintaining stability within a complex clinical environment. HSH could not have continued  
11   safe operations without their dedication.

12           The Department has already made the temporary hazard payments required in  
13   accordance with arbitration decisions in the amount of \$3,735,863. However, these  
14   unbudgeted costs have placed significant strain on the hospital's resources. This measure  
15   provides the emergency appropriation necessary to cover these mandated payments, prevent  
16   negative operational impacts, and preserve financial stability.

17           Thank you for the opportunity to testify on this measure.

**JOSH GREEN, M.D.**  
GOVERNOR  
KE KIA'ĀINA



**HAKIM OUANSAFI**  
EXECUTIVE DIRECTOR

**BARBARA E. ARASHIRO**  
EXECUTIVE ASSISTANT

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**HAWAII PUBLIC HOUSING AUTHORITY**  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

IN REPLY PLEASE REFER TO:

26:OED

Statement of the  
**Hawaii Public Housing Authority**

Before the  
**Senate Committee on Ways and Means**

**Wednesday, April 1, 2026**  
**10:03 AM – Room 211, Hawaii State Capitol**

In consideration of  
**HB 2271, HD2, SD1**  
**MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS**

Honorable Chair Dela Cruz, Vice Chair Moriwaki and members of the Senate Committee on Ways and Means:

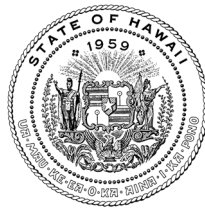
The Hawaii Public Housing Authority (HPHA) strongly supports HB 2271, HD2, SD1. This measure makes emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

HPHA is made up of a large, geographically dispersed workforce statewide, including but not limited to general laborers, building maintenance helpers, carpenters, electricians, plumbers, and plumber helpers. The Authority respectfully requests that this measure be passed to cover the costs related to temporary hazard pay settlements.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.



JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I  
**DEPARTMENT OF CORRECTIONS  
AND REHABILITATION**  
*Ka 'Oihana Ho'omalu Kalaima  
a Ho'oponopono Ola*  
1177 Alakea Street  
Honolulu, Hawai'i 96813

**TOMMY JOHNSON**  
DIRECTOR

**Melanie Martin**  
Deputy Director  
Administration

**Vacant**  
Deputy Director  
Correctional Institutions

**Sanna Muñoz**  
Deputy Director  
Rehabilitation Services  
and  
Programs

No. \_\_\_\_\_

TESTIMONY ON HOUSE BILL 2271, HOUSE DRAFT 2, SENATE DRAFT 1  
MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC  
EMPLOYMENT COST ITEMS.

by  
Tommy Johnson, Director  
Department of Corrections and Rehabilitation

Senate Committee on Ways and Means  
Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

Wednesday, April 1, 2026, 10:03 a.m.  
State Capitol, Conference Room 211 & Videoconference

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) **supports** House Bill (HB) 2271, House Draft (HD) 2, Senate Draft (SD) 1 which seeks to make emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay (THP) for fiscal year 2025-2026.

DCR employs the largest number of Bargaining Unit 10 employees statewide. During the COVID-19 pandemic, these employees continued to provide essential services under hazardous conditions. In the Arbitration between United Public Workers (UPW) and the State of Hawai'i, the Arbitrator awarded UPW the THP to its BUs 1 and 10, which required DCR to pay approximately \$31.1 million to its Unit 1 and Unit 10 employees who qualified for the THP.

However, the amount of \$14 million appropriated in Act 29, Session Laws of Hawai'i 2025, is insufficient to fully reimburse DCR for these payments. As a result, several DCR programs face a critical shortfall and will not have sufficient funds to cover payroll in the last quarter of this fiscal year.

HB2271, HD 2, SD 1 Making Emergency Appropriations.  
for Public Employment Cost Items.  
April 1, 2026  
Page 2

Passage of HB 2271, HD 2, SD 1 is essential to ensure that DCR can maintain operations and meet its payroll obligations without disruption. This measure will provide the emergency appropriations necessary to uphold collective bargaining agreements and sustain the effective functioning of our correctional system.

DCR respectfully requests the Legislature's favorable consideration and immediate passage of HB 2271, HD 2, SD 1.

Thank you for the opportunity to provide testimony in **support** of HB 2271, HD 2, SD 1.



## UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

THE SENATE  
KA 'AHA KENEKOA

THE THIRTY-THIRD LEGISLATURE  
REGULAR SESSION OF 2026

COMMITTEE ON WAYS AND MEANS  
Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

Wednesday, April 1, 2026, 10:03 AM  
Conference Room 211 & Videoconference

**Re: Testimony on HB2271, HD2, SD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS**

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW **strongly supports** HB2271, HD1, which makes emergency appropriations for collective bargaining cost items for the members of Bargaining Units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay (“THP”) for fiscal year 2025-2026.

We respectfully request that this measure be passed to resolve any remaining THP grievances with the Executive Branch and Department of Education (“DOE”) so that our members can finally receive the THP they earned, and are **contractually owed**, for performing their duties during the COVID-19 pandemic.

We would like to note that that the House amended this measure by excluding the DOE from the bill. UPW members ratified a settlement agreement last May that would provide them with THP, but the DOE has contended that it is unable to do so because it lacks funding. This is the only vehicle that would fund the settlement agreement. UPW will admit that we are currently in a dispute with the Department over them not following through with the terms of the agreement, but this dispute does not prevent them from paying our members while we seek a remedy. We humbly ask that the amendments made by the Committee on Labor and Technology in the SD1 be preserved.

Mahalo for this opportunity to testify in support of this measure.

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