



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
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**Testimony in SUPPORT of HB2315 HD1  
RELATING TO STATE EMPLOYEE BENEFITS.**

SENATOR JOY A. SAN BUENVAVENTURA, CHAIR  
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

SENATOR BRANDON J.C. ELEFANTE, CHAIR  
SENATE COMMITTEE ON LABOR AND TECHNOLOGY

March 25, 2026  
Room 225

- 1 **Fiscal Implications:** This measure is budget-neutral.
- 2 **Department Testimony:** The Department of Health (DOH) supports this Administration
- 3 Legislative Proposal to authorize a pilot program to permit department employees to cash out
- 4 accrued vacation leave pay for the purposes of home purchase down payment assistance.
- 5 As the Executive Branch grapples with chronic vacancies and low unemployment rates, and as
- 6 families in Hawaii continue to face affordability issues, including high housing prices, this pilot is
- 7 intended to contribute to DOH's retention efforts. Employees who leave public service through
- 8 retirement or resignation can already receive a vacation leave payout upon their break in
- 9 service. This pilot will permit DOH employees the option of a voluntary vacation leave payout
- 10 without having to resign. This comes at a time when an employee pursuing homeownership
- 11 may not have sufficient savings for a down payment on a personal residence, and allows career
- 12 DOH employees equitable access to an earned benefit at the time they need it and not at the
- 13 end of their career.

1 The scope of this pilot is purposefully narrow and will not be an administrative burden as the  
2 payout is solely for the purpose of a primary home purchase, an atypical event. Moreover, this  
3 measure contains guidelines that ensure the overall department budget can meet all of DOH's  
4 obligations, and could save the State money over time since the payout is based on the salary  
5 rate at the time of payout as opposed to a higher future salary at the end of an employee's  
6 career.

7 Thank you for the opportunity to testify.

8 **Offered Amendments:** N/A.



## UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

THE SENATE  
KA 'AHA KENEKOA  
THE THIRTY-THIRD LEGISLATURE  
REGULAR SESSION OF 2026

**COMMITTEE ON HEALTH AND HUMAN SERVICES**

Senator Joy A. San Buenaventura, Chair  
Senator Angus L.K. McKelvey, Vice Chair

**COMMITTEE ON LABOR AND TECHNOLOGY**

Senator Brandon J.C. Elefante, Chair  
Senator Rachele Lamosao, Vice Chair

Wednesday, March 25, 2026, 1:00 PM  
Conference Room 225 & Videoconference

**Re: Testimony on HB2315, HD1 – RELATING TO STATE EMPLOYEE BENEFITS**

Chairs San Buena Ventura and Elefante, Vice Chairs McKelvey and Lamosao, 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** HB2315, HD1, which authorizes the Department of Health (“DOH”) to establish a vacation payout pilot program in which eligible DOH employees may defer unused vacation leave credits in favor of a pay out to provide home purchase down payment assistance.

For many years, Hawaii has had the distinction of having the highest cost of living in the U.S., based in part on the average price of food, utility, and transportation costs. However, it is widely known that the high cost of housing is the most substantial cost for working families and has become a significant financial burden for hard-working residents who want to remain in Hawaii. As such, one of the greatest barriers to homeownership for our members is access to capital.

The program proposed in the bill, under certain conditions, would provide our Department of Health members with the ability to utilize an accrued vacation time payout for the purchase of a personal residence. We strongly believe that this measure is an excellent example of an employer that is pursuing alternative ways to recruit and retain employees by understanding their needs. We hope that this three-year pilot program is successful and serves as an example for other departments and agencies.

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

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

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The Thirty-Third Legislature, State of Hawaii  
The Senate  
Committee Health and Human Services  
Committee on Labor and Technology

Testimony by  
Hawaii Government Employees Association

March 25, 2026

H.B. 2315, H.D. 1 — RELATING TO STATE EMPLOYEE BENEFITS.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the concept of H.B. 2315, H.D. 1, which authorizes the Department of Health to establish a vacation payout pilot project in which eligible Department of Health employees may defer unused vacation leave credits in favor of a pay out to provide home purchase down payment assistance.

Our organization recognizes that our state must explore new and alternative ways to recruit and retain a qualified workforce, especially at a time when government salary and benefits alone may not be enough to be considered an attractive career. With high housing prices, we trust that many of our members cannot afford a downpayment on a single-family home, and we know that this benefit will go a long way in helping members achieve just that. If the implementation and utilization of this pilot program is successful, then it should be expanded to all state employees. Reports indicate that our state's workforce has a 24% vacancy rate and 30% of our current workforce is eligible to retire in the next five years. We appreciate the intent of this measure as it aims to begin a conversation about a unique and generous government benefit, which can help the state to recruit and retain the next generation of public employees.

Thank you for the opportunity to provide testimony in support of H.B. 2315, H.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director



**LATE**

SENATE COMMITTEES ON HEALTH AND HUMAN SERVICES  
AND LABOR AND TECHNOLOGY  
Wednesday, March 25, 2026 — 1 p.m.

**The Workforce Development Council supports HB 2315, HD1.**

Dear Chair San Buenaventura, Chair Elefante, and Committee Members:

We are Keith DeMello and Tuia‘ana Scanlan, members of the State of Hawai‘i Workforce Development Council (WDC) delegated with the authority to represent the WDC’s legislative policy positions. Pursuant to [HRS Chapter 202](#), the WDC is an advisory commission comprised of both public and private-sector representatives selected by the Governor to serve on the basis of their interest in and knowledge of workforce development programs in Hawai‘i and how to support economic development throughout the state.

The WDC supports HB 2315, HD1, which authorizes the Department of Health (DOH) to establish a vacation payout pilot program in which eligible DOH employees may defer unused vacation leave credits in favor of a payout to provide home purchase down payment assistance.

With housing affordability remaining one of the most significant challenges to workforce recruitment and retention across Hawai‘i, this measure aims to address that barrier by enabling employees to apply earned benefits toward homeownership. This issue is particularly acute in public sector roles, including important health positions, where the inability to secure stable, affordable housing contributes to persistent vacancies and workforce instability.

We believe this bill represents a practical approach by aligning existing workplace compensation and benefit structures with long-term economic stability for employees. By strengthening pathways to homeownership, this measure helps increase the likelihood that they remain in the local workforce and contribute to their communities in Hawai‘i.

This measure also reflects broader efforts to align state agencies around a shared workforce goal. Workforce challenges throughout the state are interconnected and cannot be addressed in siloes. When agencies are oriented toward common goals—such as improving retention and enabling residents to live and work in Hawai‘i—policy solutions can have greater, more meaningful impact. This pilot demonstrates how agency-level initiatives can contribute to a more coordinated, statewide workforce strategy.

As such, this pilot program provides an opportunity to evaluate the effectiveness of this approach within a key state agency. If successful, it may inform broader strategies to address workforce challenges across sectors where housing costs remain a primary barrier.

We respectfully note that housing affordability continues to be a cross-sector workforce issue requiring coordinated solutions across state agencies, employers, and community partners. The WDC remains committed to advancing strategies that align workforce development efforts with the economic realities facing Hawai'i's residents and their communities.

Thank you for the opportunity to testify in support of this measure.

Respectfully submitted,

Keith DeMello  
Chair, WDC

Tuia'ana Scanlan  
Member, WDC