



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

REPRESENTATIVE GREGG TAKAYAMA, CHAIR
HOUSE COMMITTEE ON HEALTH

Friday, January 30, 2026, Room 329

- 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.
- 14 The scope of this pilot is purposefully narrow and will not be an administrative burden as the
- 15 payout is solely for the purpose of a primary home purchase, an atypical event. Moreover, this
- 16 measure contains guidelines that ensure the overall department budget can meet all of DOH's

1 obligations, and could save the State money over time since the payout is based on the salary
2 rate at the time of payout as opposed to a higher future salary at the end of an employee's
3 career.

4 Thank you for the opportunity to testify.

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



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**HOUSE OF REPRESENTATIVES
THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026**

COMMITTEE ON HEALTH

Rep. Gregg Takayama, Chair
Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

COMMITTEE ON HUMAN SERVICES & HOMELESSNESS

Rep. Lisa Marten, Chair
Rep. Ikaika Olds, Vice Chair

Friday, February 6, 2026, 9:00 AM
Conference Room 329 & Videoconference

Re: Testimony on HB2315 – RELATING TO STATE EMPLOYEE BENEFITS

Chairs Takayama and Marten, Vice Chairs Keohokapu-Lee Loy and Olds, 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, 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.

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

Testimony by
Hawaii Government Employees Association

February 6, 2025

H.B. 2315 — RELATING TO STATE EMPLOYEE BENEFITS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the concept of H.B. 2315, which requires 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.

Respectfully submitted,


Randy Perreira
Executive Director