

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA
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AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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CONSERVATION AND COASTAL LANDS
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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 House Committee on
LABOR**

**Tuesday, March 24, 2026
9:30 AM
State Capitol, Conference Room 309**

**In consideration of
SENATE BILL 3332, SENATE DRAFT 1
RELATING TO STATE-FUNDED TRAVEL**

Senate Bill 3332, Senate Draft 1 establishes a two-year moratorium on certain state-funded inter-island and out-of-state travel, with limited exceptions. **The Department of Land and Natural Resources (Department) appreciates the intent of this measure and supports prudent stewardship of public funds, particularly during periods of fiscal uncertainty.**

The Department recognizes that state-funded travel for conferences, forums, and professional development should be closely scrutinized to ensure it is essential and cost-effective. The Department shares the Legislature's interest in ensuring that limited public resources are directed toward core state functions.

However, as currently drafted, the bill may unintentionally restrict routine inter-island travel necessary for state agencies to carry out their statutory and constitutional duties.

The Department has statewide regulatory and enforcement responsibilities. Many of these responsibilities require in-person fieldwork conducted across multiple islands, including inspections, monitoring, site visits, investigations, and enforcement actions. For example, staff at the Commission on Water Resource Management (Commission) are based primarily in Honolulu, but regularly conduct statewide stream surveys, groundwater monitoring, diversion verification, permit-related site visits, and enforcement investigations under the State Water Code. This travel is not discretionary in nature and is essential to fulfilling the State's obligations as the trustee of natural resources under the public trust doctrine.

While section 2(b)(1) provides an exception for “mandatory work-related travel,” the listed examples do not expressly include regulatory inspections, monitoring, or enforcement activities. To avoid unintended operational impacts, the Department respectfully suggests clarifying the exception for mandatory work-related travel.

The Department recommends amending section 2(b)(1) at page 2, line 15, to add a new subparagraph to read as follows (new language underscored):

(b) The state-funded travel moratorium shall not apply to:

(1) Mandatory work-related travel, including but not limited to travel for:

(A) Court-ordered appearances;

(B) Federal compliance, regulatory requirements, or certification;

(C) Collective bargaining obligations;

(D) Emergency response, public safety, or disaster-related activities; [~~and~~]

(E) Regularly scheduled administrative meetings; and

(F) Inspections, monitoring, site visits, investigations, or enforcement activities required to carry out an agency’s statutory or constitutional duties.

This amendment would not expand discretionary travel but would ensure that mission-critical regulatory fieldwork is clearly permitted and not inadvertently restricted by the moratorium.

The Department appreciates the Legislature’s efforts to promote fiscal discipline and accountability and respectfully requests consideration of this proposed amendment.

Thank you for the opportunity to comment on this measure.



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
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DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Ways and Means
Tuesday, March 24, 2026
9:30 a.m.
Conference Room 309 & Via Videoconference**

**On the following measure:
S.B. 3332 S.D.1, RELATING TO STATE-FUNDED TRAVEL**

Chair Sayama and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department respectfully opposes on this bill.

The purpose of this bill is to: (1) establish a two-year state-funded travel moratorium for certain state agencies, with certain exceptions; (2) permit the Department of Accounting and General Services to adopt rules; and (3) require reports to the Legislature.

The Department is entirely special funded. Our operations, including travel, are supported primarily by special funds such as the Compliance Resolution Fund, which are financed by fees and assessments on regulated industries rather than by general fund appropriations. Because of this, restricting the Department's travel will not directly advance the bill's stated goal of conserving general fund resources, but may still constrain the Department's ability to carry out essential regulatory and consumer protection functions.

Many of the Department's divisions, such as Insurance, Financial Institutions, and Professional and Vocational Licensing, rely on inter-island and out of state travel to participate in examinations, maintain accreditation, and coordinate with national regulatory organizations. While S.B. 3332, S.D. 1, contains exceptions for mandatory work-related travel and certain "high priority state functions," not all critical regulatory travel is clearly captured by those categories. Important activities that protect Hawaii consumers, such as participation in national standards setting bodies and multi state regulatory efforts, may not be strictly "mandatory" in a narrow legal sense but are essential to effective regulation.

The measure also adds new approval and reporting requirements for every covered trip, including detailed annual reports to the Legislature. The Department is concerned that these layers would be duplicative of existing administrative rules and executive policies governing travel and would divert limited staff resources away from core regulatory and enforcement work, especially for a specially funded agency that already closely manages its own travel budgets.

If the Committee is inclined to move this measure forward, the Department respectfully requests consideration of: (1) exempting specially funded agencies, or providing a broader exception for travel necessary for regulatory compliance, accreditation, and participation in national regulatory organizations; (2) clarifying that commerce, financial regulation, and consumer protection are recognized as high priority state functions for purposes of allowable travel; and (3) minimizing additional reporting obligations where existing travel oversight mechanisms are already in place.

Thank you for the opportunity to testify on this bill.

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



BONNIE KAHAKUI
ADMINISTRATOR

DAYNA OMIYA
ASSISTANT ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
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TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
LABOR

March 24, 2026, 9:30 a.m.

SENATE BILL 3332, SD1
RELATING TO STATE-FUNDED TRAVEL

Chair Sayama, Vice Chair Lee, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 3332, SD1. This measure proposes a two-year moratorium for certain state agencies, permits the Department of Accounting and General Services to adopt rules, and requires reports to the Legislature.

The State Procurement Office (SPO) appreciates the intent to promote fiscal responsibility; however, we respectfully offer the following comments on this bill.

Comments

The Department of Accounting and General Services already enforces detailed Hawaii Administrative Rules (HAR) governing travel for all Executive Branch agencies. HAR Chapter 3-10 sets clear standards for approvals, cost control, and accountability to ensure that state-funded travel is managed responsibly and efficiently. Budget execution policies and instructions, issued via executive memoranda annually, include reminders on procedures and guidelines that reinforce the applicability of the HAR for state-funded travel. Additionally, travel guidelines are provided that complements the Rules.

Reference: HAR 3-10 - <https://spo.hawaii.gov/wp-content/uploads/2013/11/HAR310.pdf>.

Current rules already require justification of travel expenses and alignment with state priorities. Senate Bill 3332, SD1, would place additional administrative burdens on agencies. The additional requirements are likely to divert time and resources from essential functions and reduce overall efficiency.

The existing rules allow agencies to evaluate travel requests individually to ensure that critical activities such as professional development, training, and collaboration are not disrupted. A blanket moratorium, even with exceptions, risks limiting the State's ability to respond quickly to emerging needs and beneficial opportunities.

Current policies emphasize cost-effective travel and encourage remote participation whenever practical. At the same time, policies recognize that engagement with peers is vital for professional growth.

Recommendation

The SPO recommends the following:

- Delete, in its entirety, language from Section 2, Page 2, lines 1-21; Page 3, lines 1-21; and Page 4, lines 1-13.
- Section 2, Page 4, lines 15-21, and Page 5, lines 1-8: Revise (f), which becomes (a), to read as follows:

"(a) [~~(f)~~] Each state agency shall submit an annual report of its state-funded travel to the senate standing committee on ways and means and house standing committee on finance no later than thirty days prior to the convening of the regular sessions of 2027 and 2028. Each report submitted shall include:

- (1) Identification of all travelers by position number;
- (2) The number of trips approved for each position;
- (3) The purpose and location of each trip;
- (4) A brief explanation of how each trip advanced the priority of the state function;
- (5) Certification that remote participation alternatives were evaluated and determined to be insufficient; and
- (6) Total cost of each trip, including airfare, lodging, transportation, registration, per diem, and any other related travel expenses.

- Section 2, Page 5, line 10; keep language stated in (g), which becomes (b):

"(b) [~~(h)~~] As used in this Act, "state agency" means all executive departments, boards, commissions, bureaus, offices, agencies, and all independent commissions and other

establishments of the state government, including the university of Hawaii, and all quasi-public institutions which are supported in whole or in part by, or which handle state or public funds; provided that "state agency" does not include:

- (1) The judiciary and its staff;
- (2) The legislature, its committees, and its staff;
- (3) The governor and the governor's staff; or
- (4) The lieutenant governor and the lieutenant governor's staff."

Thank you for the opportunity to submit testimony on this measure.



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

Date: 03/24/2026
Time: 09:30 AM
Location: 309 VIA VIDEOCONFERENCE
Committee: LAB

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB3332, SD1, RELATING TO STATE-FUNDED TRAVEL.

Purpose of Bill: Establishes a two-year state-funded travel moratorium for certain state agencies, with certain exceptions. Permits the Department of Accounting and General Services to adopt rules. Requires reports to the Legislature. Effective 1/1/2525. Sunsets 6/30/2028. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3332, SD 1. This measure seeks to impose a two-year moratorium on discretionary state-funded travel with certain narrowly defined exceptions that would be repealed on June 30, 2028.

The Department is cognizant of the current higher than usual degree of economic and fiscal uncertainty in which this measure is being considered. While we share the goal of careful prioritization of expenditures in light of this uncertainty, the Department offers the following comments and cautions regarding imposing strict spending controls on travel.

Per Section 302A-1303.6, Hawaii Revised Statutes, public schools rely on reasonably predictable and reliable funding support with which they can program based on their student data and in conjunction with their school community. While the Department appreciates that the bill does exempt certain types of travel from the moratorium, restricting spending for travel can be viewed as usurping decision making discretion currently delegated to school leaders and their community.

The following are some common justifications for in-state travel:

1. To attend leadership/principal meetings;
2. To conduct investigations;
3. To attend or conduct training;
4. To inspect or repair schools or offices; and
5. To participate in labor relations hearings.

The following are some common justifications for out-of-state travel:

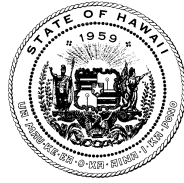
1. To fulfill federal grant and program commitments and meet emerging professional development and technical assistance needs of chief state school officers and state educational agencies (i.e. state-level positions);
2. To attend meetings which are mandatory for federal program administration;
3. To represent Hawaii for national educator awards ceremonies or meetings (e.g., State Teacher of the Year, Principal of the Year);
4. To accompany students on student-focused travel (e.g., robotics, band, science fair, other competitions) in compliance with Hawaii State Board of Education Policy 105-18 Field Trips and Student Travel (former policy 2250);
5. To fulfill responsibilities to students who are placed in mainland facilities;
6. To obtain certification which is not available in Hawaii and which is required to achieve an objective in the Strategic Plan (e.g. International Baccalaureate program) and the conference brochure or description includes evidence that certification is offered to attendees;
7. To recruit teachers to fill vacancies in shortage subject areas;
8. To attend a conference or workshop for professional development; and
9. To visit colleges and universities to familiarize college and career counselors with campuses and surrounding areas.

In closing, the Department would note that concerns with the fiscal outlook for the State were communicated in writing to school and complex area leaders in the past year, and the Department's travel guidelines already encourage the use of teleconferencing and webinars in place of travel when feasible.

Thank you for the opportunity to provide testimony on SB 3332, SD 1.

JOSH B. GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



STACEY A. ALDRICH
STATE LIBRARIAN
Ke Po'o Hale Waihona Puke Moku'āina

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House Committee on Labor
March 24, 2026, 9:30 a.m.
State Capitol, Room 309

SB 3332 SD1 – Relating to State-Funded Travel

To: Jackson D. Sayama, Chair
Rep. Mike Lee, Vice Chair
Members of the House Committee on Labor

The Hawai'i State Public Library System (HSPLS) offers **comments** on SB3332 SD1 which establishes a two-year state-funded travel moratorium for certain state agencies, with certain exceptions; permits the Department of Accounting and General Services to adopt rules; and requires reports to the Legislature.

The HSPLS operates 51 branch libraries on six islands, and has over 450 employees statewide. While branch library staff focus on providing services to the public, almost all other necessary support office staff are located on Oahu where approximately 50% of the public libraries are located. Rather than having additional permanent support staff on all neighbor islands, it is more efficient to have HSPLS support staff fly to neighbor island locations on an as-needed basis.

Based on our operational needs, the HSPLS respectfully requests amendments to address the following:

- New subsection (b)(3): add an exception for facilities-related work. The HSPLS has CIP and medium-sized improvement projects on all islands, which may require on-site inspections with consultants, contractors, DAGS and staff. Although DAGS provides some facilities-related support to HSPLS for public library buildings statewide, the HSPLS is still primarily responsible for the management and maintenance of all public libraries. HSPLS does not have any positions dedicated to HSPLS facilities on the neighbor islands.

- Subsection (b)(2): remove the cap on the number of trips an employee may take to neighbor islands if there is insufficient staffing on neighbor islands to perform this type of work. When we need to shut down a library for construction and/or reopen after construction is completed, we surge support staff from Oahu to the library to prepare the library for opening and/or closing. Surging staff helps to implement the work is faster and more efficient, especially for large projects. Limiting the number of trips per employee would negatively impact our ability to perform needed work at our neighbor island libraries.

For example, when we prepare for the reopening of a library after a construction project, our IT staff completely rewire the entire library building. Although there is one IT staff position per neighbor island for regular IT support, they are unable to rewire a library building by themselves. With over 1000 computers and printers statewide, we also have the same limitations when we are doing any computer equipment upgrades and installations.

In another situation, we have one employee who managed the HSPLS transition from bar coded materials to the new RFID system. As the project manager, the employee managed the entire system statewide – from delivery and installation of equipment to all 51 branch libraries, to implementation and training - for all library staff. On an as-needed basis, the employee had to make multiple visits to various islands to ensure a smooth transition to the new technology.

- Subsection (b)(2)(B): similar to the request to remove the cap on the number of trips an employee may take, we request removing the cap on the number of employees that may attend any trip that is approved, if there is insufficient staffing on neighbor islands to perform this type of work. Limiting the number of employees on a trip will slow down completion of the project and/or require multiple trips to complete the project.

Thank you for the opportunity to testify on SB3332 SD1 and for your continued support of the Hawai'i State Public Library System.



The House Committee on Labor
March 24, 2026
Room 309
9:30 AM

RE: SB 3332 SD1, Relating to State-Funded Travel

Attention: Chair Jackson D. Sayama, Vice Chair Mike Lee, Members of the Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **opposes SB 3332 SD1.**

While we support the legislature's goal of ensuring fiscal responsibility, this measure represents an unnecessary legislative intrusion into the day-to-day management of state operations. Determining which professional activities require travel is a fundamental management decision that must be based on the specific operational needs and requirements of each department or unit, rather than a broad statutory mandate.

SB 3332 SD1 attempts to micromanage these operational decisions through a "one-size-fits-all" approach that imposes arbitrary caps on the frequency of travel for individual employees. By removing the flexibility to address specific operational needs, this bill creates structural inefficiencies that could hinder the State's ability to execute its functions effectively.

Rather than imposing rigid statutory moratoriums that strip management of its authority to lead, we suggest that the legislature rely on existing administrative mechanisms to ensure fiscal prudence. Departments should retain the autonomy to establish and enforce rigorous criteria for approving travel that weigh the costs against the operational necessity and value of the activity. This approach ensures accountability without sacrificing the operational effectiveness of the workforce.

We respectfully urge the Committee to DEFER SB 3332 SD1.

Respectfully submitted,

Christian L. Fern
Executive Director
University of Hawaii Professional Assembly

**University of Hawaii
Professional Assembly**