

STAND. COM. REP. NO.

534

Honolulu, Hawaii

FEB 13 , 2025

RE: H.B. No. 90  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 90  
entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEE COMPENSATION,"  
begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend payroll requirements for public officers and employees by requiring them to be paid pursuant to a predicted payroll schedule, rather than an after-the-fact payroll schedule; and
- (2) Appropriate funds to the Department of Accounting and General Services to establish positions to process and perform tasks related to payroll processing and for costs to convert employees to predicted payroll schedules.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and United Public Workers, AFSCME Local 646, AFL-CIO. Your Committee received comments on this measure from the Department of Accounting and General Services.

2025-1708 HB90 HD1 HSCR HMSO



Your Committee finds that changing payroll requirements for public officers and employees from after-the-fact to a predicted payroll schedule holds the State and counties accountable to pay their employees in a timely manner. Your Committee also finds it is a priority for the State to be a responsible employer and maintain the integrity of the payment process for its employees. Your Committee believes that this measure improves payroll schedules to ensure public officers and employees are paid in a timely manner.

Your Committee has amended this measure accordingly by:

- (1) Extending the implementation dates by one year, to provide adequate time for the Department of Accounting and General Services to implement the conversion to predicted payroll schedules;
- (2) Clarifying that the appropriations for the costs of converting employees to predicted payroll schedules are for fiscal years 2025-2026 and 2026-2027;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$172,000,000 for fiscal years 2025-2026 and 2026-2027 for the Department of Accounting and General Services to implement this change.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 90, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 90, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Labor,

  
JACKSON D. SAYAMA, Chair



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<b>Bill/Resolution No.:</b> HB 90	<b>Committee Referral:</b> LAB, FIN	<b>Date:</b> 2/11/25		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SAYAMA, Jackson D. (C)	X			
2. LEE, Mike (VC)	X			
3. GARRETT, Andrew Takuya	X			
4. KAPELA, Jeanne	X			
5. KONG, Sam Satoru	X			
6. REYES ODA, Julie	X			
TOTAL (6)	6			
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
<b>Distribution:</b> Original (White) – Committee              Duplicate (Yellow) – Chief Clerk's Office              Duplicate (Pink) – HMSO				