

JAN 15 2025

A BILL FOR AN ACT

RELATING TO A COMPENSATORY TIME CASH-OUT PILOT PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the rate of daily
2 absences in high-stress state positions is becoming increasingly
3 common, as workers call in sick or simply do not show up for
4 work due to burnout or other related reasons. In the case of
5 the State's correctional facilities, where a lack of staffing
6 could lead to dangerous conditions, workers are often required
7 to stay on the job long after their shift has ended, leading to
8 further burnout and massive overtime costs for the State.

9 The legislature further finds that allowing employees to
10 cash out part of their accrued compensatory time off, which
11 would otherwise be paid out to them when they leave or retire,
12 is a way to incentivize good attendance and improve the overall
13 functionality of the State's correctional facilities.
14 Additionally, by encouraging workers to report to work, the
15 State can save money on overtime and reduce overall worker
16 burnout.



1 Therefore, the purpose of this Act is to establish and
2 appropriate funds for a compensatory time cash-out pilot program
3 for department of corrections and rehabilitation employees who
4 work in any state correctional facility.

5 SECTION 2. (a) There is established a three-year
6 compensatory time cash-out pilot program within the department
7 for employees who work in any state correctional facility.

8 (b) Participation in the pilot program by department
9 employees shall be voluntary. Under the pilot program, at the
10 end of each fiscal quarter, the department shall offer an
11 eligible employee, as determined by rule, a cash allowance
12 equivalent to a maximum of seventy-five per cent of the
13 employee's compensatory time off accrued during that quarter.

14 (c) The department shall submit an annual report of its
15 findings and recommendations for the pilot program, including
16 any proposed legislation, to the legislature no later than
17 twenty days prior to the convening of the regular sessions of
18 2026, 2027, and 2028; provided that the reports shall identify
19 the following:

20 (1) The number of individuals who qualified for the pilot
21 program each quarter;



- 1 (2) Any changes to the amount of overtime worked each
2 quarter;
- 3 (3) The cost to the department; provided further that the
4 cost includes the total amount that the department
5 paid out as cash allowances to employees under the
6 pilot program and does not factor in the costs
7 associated with the changes to the amount of overtime
8 worked;
- 9 (4) Data on the percentages, in ranges of twenty-five per
10 cent of accrued compensatory time off that employees
11 received as cash allowances under the pilot program;
12 and
- 13 (5) Other information that the department may find
14 relevant to highlight the benefits and challenges of
15 the pilot program.
- 16 (d) The department shall, by mutual agreement between the
17 department and the exclusive representative of any applicable
18 collective bargaining unit, establish rules to implement the
19 pilot program and determine eligibility requirements for
20 participation in the pilot program; provided that one of the
21 eligibility requirements shall be that the employee has fewer



1 than twenty-four hours of compensatory time off during that
2 quarter.

3 (e) For the purposes of this Act, unless otherwise stated:

4 "Department" means the department of corrections and
5 rehabilitation.

6 "Pilot program" means the compensatory time cash-out pilot
7 program.

8 SECTION 3. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so
10 much thereof as may be necessary for fiscal year 2025-2026 and
11 the same sum or so much thereof as may be necessary for fiscal
12 year 2026-2027 for the department of corrections and
13 rehabilitation to establish a three-year compensatory time cash-
14 out pilot program for employees who work in any state
15 correctional facility pursuant to section 2 of this Act.

16 The sums appropriated shall be expended by the department
17 of corrections and rehabilitation for the purposes of this Act.

18 SECTION 4. This Act shall take effect on July 1, 2025.

19

INTRODUCED BY:

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S.B. NO. 90

Report Title:

DCR; Compensatory Time Cash-Out Pilot Program; Appropriations

Description:

Establishes a Compensatory Time Cash-Out Pilot Program for eligible employees of the Department of Corrections and Rehabilitation who work in any state correctional facility. Appropriates funds.

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