



GOV. MSG. NO. 243

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

April 25, 2012

The Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Mr. President:

The University of Hawaii Professional Assembly and the University of Hawaii are expected to reach an understanding very shortly relating to the "favored nations" provision on Hawaii Employer-Union Trust Fund (EUTF) contributions in the agreement concerning Bargaining Unit 7 ratified in January of 2010.

The following summary of the included and excluded additional EUTF funding requirements, compared to the Executive Supplemental Budget based on this agreement for the current fiscal biennium, are being transmitted to the Legislature for information purposes at this time due to the lateness in the legislative timetable. It is anticipated that the signed supplemental agreement will be available by close of business on Friday, April 27, 2012.

	<u>FY 12</u>	<u>FY 13</u>	<u>Biennium</u>
<u>EUTF</u>			
General	\$1,161,598	\$1,161,598

This communication contemplates funding this request via an increase in general fund appropriations. However, considering the lateness in the deliberative process of the Legislature, and in recognition of legislative examination of funding alternatives, the Administration would offer and is equally supportive of the following funding alternatives:

1. Change method of funding to special funds, or
2. Pay for increased EUTF costs via general funds and reduce UH's general fund operating appropriations by an equal amount.

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Attached is a proposed conference draft amending Senate Bill No. 1083, S.D. 1, H.D. 1, in its entirety, to fund the supplemental agreement. The proposed draft is effective upon approval.

Sincerely,

A handwritten signature in black ink that reads "Neil Abercrombie". The signature is written in a cursive style with a large initial "N".

NEIL ABERCROMBIE
Governor, State of Hawaii

Attachment

c: Honorable David Y. Ige