

NEIL ABERCROMBIE
GOVERNOR

GOV. MSG. NO. 1236

June 20, 2013

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Seventh State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

Pursuant to Section 16 of Article III of the State Constitution, I am transmitting herewith the following bill with a specific appropriation item stricken or reduced and my official statement of objections to that specific appropriation item contained in the bill.

SB909 SD1 HD1 CD1

MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

Sincerely, Sail aberrowlie

NEIL ABERCROMBIE Governor, State of Hawaii

EXECUTIVE CHAMBERS HONOLULU June 20, 2013

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 909

Honorable Members Twenty-Seventh Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 909, entitled "A Bill for an Act Making Appropriations for Collective Bargaining Cost Items."

The purpose of this bill is to provide fund authorizations and appropriations for collective bargaining cost items for employees in unit 13 and its excluded counterparts, including salary increases and contributions to the Hawaii employer-union health benefits trust fund negotiated between the State and the Hawaii Government Employees Association for fiscal biennium 2013-2015.

The amounts appropriated for state employees included in bargaining unit 13 were placed in the bill in anticipation of ratification by the unit 13 members of the public employers' last collective bargaining offer including pay raises. The state employees included in unit 13 failed to ratify the proposal and thus the employer and the exclusive representative remain in negotiations. It is a well settled labor law that the employer may not unilaterally implement a non-negotiated pay raise during negotiations. Therefore, to avoid the possibility of subsequent administrative actions that may constitute committing a prohibited practice under chapter 89, Hawaii Revised Statutes, I cannot approve those parts of the bill that would appropriate funds for such a pay raise.

Section 16 of Article III of the State Constitution provides that, "[e]xcept for items appropriated to be expended by the judicial and legislative branches, the governor may veto any specific item or items in any bill which appropriates money for specific purposes by striking out or reducing the same."

STATEMENT OF OBJECTIONS SENATE BILL NO. 909 Page 2

Because of the foregoing objections, pursuant to my line item veto authority, I have stricken by drawing a line through each of the appropriation amounts in sections 1, 9, and 13 of this bill.

For the foregoing reasons, I am returning Senate Bill No. 909 with the appropriations in sections 1, 9, and 13 stricken as set forth above.

NEL ABERCROMBIE Governor of Hawaii

S.B. NO.

909 S.D. 1 H.D. 1

C.D. 1

A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS.

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

1	PART I			
2	SECTION 1. There are appropriated or authorized from the			
3	sources of funding indicated below to departmental			
4	administration and budget division (BUF 101) the following sums			
5	or so much thereof as may be necessary to fund for fiscal			
6	biennium 2013-2015 all collective bargaining cost items			
7	contained in the agreement negotiated with the exclusive			
8	bargaining representative of collective bargaining unit (13):			
9	FY 2013-2014 FY 2014-2015			
10	General Funds \$9,497,359 \$19,608,222			
11	Special Funds - 1,841,479 - 3,895,654			
12	General Obligation			
13	Bond Funds 863,921 1,865,311			
14	Federal Funds -2,290,808 -4,746,440			
15	Trust Funds -155,409 (334,864)			
16	Interdepartmental			
17	Transfers -66,359 134,578			
18	Revolving Funds 328,050 Revolving Funds			
	SB909 CD1 LRB 13-2733.doc			



S.B. NO. 909 S.D. 1 H.D. 1

1 Other Funds 2 Of the above amounts, the following amounts are for the 3 department of education: 4 FY 2014-2015 FY 2013-2014 5 General Funds Special Funds 6 7 General Obligation 8 Bond Funds 9 Federal Funds 10 Revolving Funds 11 SECTION 2. Funds appropriated or authorized by this part 12 shall be allotted by the director of finance to the appropriate 13 state departments for expenditure in the respective fiscal year 14 for the purposes of this part. 15 PART II 16 SECTION 3. There are appropriated or authorized from the 17 sources of funding indicated below to administration (JUD 601) 18 the following sums or so much thereof as may be necessary to 19 fund for fiscal biennium 2013-2015 all collective bargaining 20 cost items contained in the agreement negotiated with the 21 exclusive bargaining representative of collective bargaining 22 unit (13):

1		FY 2013-2014	FY 2014-2015		
2	General Funds	\$1,097,070	\$2,291,376		
3	Special Funds	23,981	52,939		
4	SECTION 4. Funds app	SECTION 4. Funds appropriated or authorized by this part			
5	shall be allotted by the chief justice for expenditure in the				
6	respective fiscal year for the purposes of this part.				
7	PART III				
8	SECTION 5. There are appropriated or authorized from the				
9	sources of funding indicated below to departmental				
10	administration and budget division (BUF 101) the following sums				
11	or so much thereof as may be necessary to fund for fiscal				
12	biennium 2013-2015 the salary increases and other cost				
13	adjustments authorized by chapter 89C, Hawaii Revised Statutes,				
14	for state officers and employees excluded from collective				
15	bargaining who belong to the same compensation plans as those				
16	officers and employees wit	hin bargaining unit	(13):		
17		FY 2013-2014	FY 2014-2015		
18	General Funds	\$3,033,468	\$6,671,683		
19	Special Funds	615,884	1,376,724		
20	General Obligation				
21	Bond Funds	74,572	173,373		
22	Federal Funds	290,888	630,917		

1	Trust Funds	83,573	190,153
2	Interdepartmental		
3	Transfers	271,142	574,215
4	Revolving Funds	54,184	134,314
5	Other Funds	23,197	62,577
6	Of the above amounts,	the following amou	nts are for the
7	department of education:		
8		FY 2013-2014	FY 2014-2015
9	General Funds	\$191,651	\$395,756
10	General Obligation		
11	Bond Funds	2,661	19,052
12	Federal Funds	9,264	18,308
13	Revolving Funds	936	5,770
14	SECTION 6. Funds app	propriated or author	ized by this part
15	shall be allotted by the d	director of finance	to the appropriate
16	state departments for expenditure in the respective fiscal year		
17	for the purposes of this part.		
18	PART IV		
19	SECTION 7. There are	e appropriated or au	thorized from the
20	sources of funding indicat	ted below to adminis	tration (JUD 601)
21	the following sums or so m	much thereof as may	be necessary to
22	fund for fiscal biennium 2	2013-2015 the salary	increases and
	SB909 CD1 LRB 13-2733.doc		

S.B. NO. 909 S.D. 1 H.D. 1

- 1 other cost adjustments authorized by chapter 89C, Hawaii Revised
- 2 Statutes, for state officers and employees excluded from
- 3 collective bargaining who belong to the same compensation plans
- 4 as those officers and employees within bargaining unit (13)
- 5 assigned to the judiciary:

6		FY 2013-2014	FY 2014-2015
7	General Funds	\$211,439	\$573,022
8	Special Funds	4,861	10,340

9 SECTION 8. Funds appropriated or authorized by this part 10 shall be allotted by the chief justice for expenditure in the

11 respective fiscal year for the purposes of this part.

12 PART V

13 SECTION 9. There are appropriated or authorized from the 14 source of funding indicated below to Hawaii health systems

15 corporation - corporate office (HTH 210) the following sums or

so much thereof as may be necessary to fund for fiscal biennium

17 2013-2015 the collective bargaining cost items contained in the

18 agreement negotiated for state employees in collective

19 bargaining unit (13) assigned to the Hawaii health systems

20 corporation:

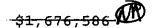
16

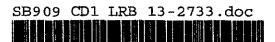
21 FY 2013-201

FY 2014-2015

22 Special Funds

-\$790,150





1 SECTION 10. Funds appropriated or authorized by this part 2 shall be allotted by the director of finance to the Hawaii 3 health systems corporation for expenditure in the respective 4 fiscal year for the purposes of this part. 5 PART VI 6 SECTION 11. There are appropriated or authorized from the 7 source of funding indicated below to Hawaii health systems 8 corporation - corporate office (HTH 210) the following sums or so 9 much thereof as may be necessary to fund for fiscal biennium 10 2013-2015 the collective bargaining cost items authorized by 11 chapter 89C. Hawaii Revised Statutes, for state officers and 12 employees excluded from collective bargaining who belong to the 13 same compensation plans as those officers and employees within bargaining unit (13) assigned to the Hawaii health systems 14 15 corporation: 16 FY 2013-2014 FY 2014-2015 Special Funds \$1,211,155 \$2,600,070 17

SECTION 12. Funds appropriated or authorized by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

S.B. NO. 50. 1 H.D. 1 C.D. 1

ı	PARI VII			
2	SECTION 13. There are appropriated from the source of			
3	funding indicated below to health premium payments (BUF 761) the			
4	following sums or so much thereof as may be necessary to fund			
5	for fiscal biennium 2013-2015 the Hawaii employer-union health			
6	benefits trust fund costs contained in the agreement negotiated			
7	with the exclusive bargaining representative of collective			
8	bargaining unit (13):			
9	FY 2013-2014 FY 2014-2015			
10	General Funds +3,677,446 + +2,374,460			
11	Of the above amounts, the following amounts are for the			
12	department of education:			
13	FY 2013-2014 FY 2014-2015			
14	General Funds \$696,50 \$442,947			
15	PART VIII			
16	SECTION 14. There are appropriated from the source of			
17	funding indicated below to health premium payments (BUF 761) the			
18	following sums or so much thereof as may be necessary to fund			
19	for fiscal biennium 2013-2015 the Hawaii employer-union health			
20	benefits trust fund costs for state officers and employees			
21	excluded from collective bargaining who belong to the same			

- 1 compensation plans as those officers and employees within
- 2 bargaining unit (13):

3	FY 2013-2014	FY 2014-2015

4 General Funds \$1,309,139 \$851,379

5 Of the above amounts, the following amounts are for the

6 department of education:

7	FY 2013-2014	FY	2014-2015

8 General Funds \$93,257 \$61,566

9 SECTION 15. Funds appropriated or authorized by this part

10 shall be allotted by the director of finance to the appropriate

state departments for expenditure in the respective fiscal year

12 for the purposes of this part.

13 PART IX

14 SECTION 16. Salary increases and cost adjustments provided

15 in this Act for any officer or employee whose compensation is

16 paid, in whole or in part, from federal, special, or other funds

17 shall be paid wholly or proportionately, as the case may be,

18 from the respective funds.

19 SECTION 17. Funds appropriated or authorized by this Act

20 that are not expended or encumbered by June 30, 2014, and June

21 30, 2015, of the respective fiscal years, shall lapse as of

22 those dates.

11

SB909 CD1 LRB 13-2733.doc

S.B. NO. S.D. 1 H.D. 1 C.D. 1

1 SECTION 18. This Act shall take effect on July 1, 2013.

APPROVED this

day of

, 2013

GOVERNOR OF THE STATE OF HAWAII