

OFFICE OF THE GOVERNOR
STATE OF HAWAII

APR 19 2013



GOV. MSG. NO. 266

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

April 19, 2013

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

Dear President Kim:

The decision of the arbitration panel appointed pursuant to Section 89-11, HRS, for Bargaining Unit 9 (Nurses), represented by the Hawaii Government Employees Association, was received on April 4, 2013. An agreement was not able to be reached concerning the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) employer contributions. Therefore, in accordance with Section 89-11(g), the employer is required to submit its recommendation for contributions to the Legislature. Section 89-11(g) states that the parties shall submit their recommendations for contributions to the Legislature, and that the final and binding agreement of the parties on all provisions shall consist of the panel's decision and the amounts of contributions established by the Legislature by enactment, after the Legislature has considered the recommendations for such contributions by the parties.

The employer recommends contributions at the 50% level. The Legislature included specific adjustments to the FB 2011-13 budget to fund employer contributions for EUTF benefits at the 50% level. The attached bill is designed to effectuate 50% employer contribution levels for Bargaining Unit 9 members and their excluded counterparts retroactive to July 11, 2011. These rates are the same as for employees of bargaining units with current collective bargaining agreements.

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Attached is a proposed draft bill amending Senate Bill No. 1057, S.D. 1, H.D. 1, in its entirety. Please note that this bill will now apply to both Unit 9 and Unit 10 since the Unit 9 vehicle did not make the crossover deadlines.

A handwritten signature in black ink, appearing to read "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 Ige