



TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1955, H.D. 1

February 19, 2014

MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

This measure is a vehicle bill to appropriate and authorize funds for collective bargaining cost items for: a) salary adjustments and other cost adjustments for public employees belonging to Bargaining Unit 14 (State law enforcement, ocean safety, and water safety officers) and their excluded counterparts; and b) Hawaii Employer-Union Health Benefit Trust (EUTF) costs for public employees belonging to Bargaining Unit 3 (Non-supervisory white collar) and their excluded counterparts for Fiscal Biennium 2013-15.

The Department of Budget and Finance notes that the new Bargaining Unit 14 has not yet been formed. Unit 14 employees, as contemplated under this bill, are currently covered by contracts for Bargaining Units 3 and 4 and their excluded counterparts. These contracts are with the Hawaii Government Employees Association and the current contract expires on June 30, 2015.

We do not expect that Unit 14 could be formed and a contract negotiated in time before the conclusion of this legislative session. Further, we believe that the terms of the current contracts for Bargaining Units 3 and 4 are fair and reasonable.