

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
ON
HOUSE BILL NO. 2266

January 31, 2014

MAKING AN APPROPRIATION TO SUPPORT UNIVERSITY OF HAWAII
COLLECTIVE BARGAINING COSTS

This measure provides a general fund appropriation to support employment costs for Collective Bargaining Unit (7) and its excluded counterparts.

The Department of Budget and Finance supports this measure. Funding for collective bargaining costs for Collective Bargaining Unit (7) and its excluded counterparts was previously provided by University of Hawaii special funds. This measure provides a general fund appropriation to support employment costs for those employees instead.

Originally, the Administration's approach was to include the collective bargaining support funding in the Executive Supplemental Budget; however, recent discussions with legislative leadership have indicated that their preference is to have the funding in a specific appropriation measure. Their rationale is that the usual process that the Legislature uses to authorize funding for collective bargaining costs is through specific appropriations.

Because of this change in approach to the funding vehicle, please be advised that the Legislature should account for budgeted funding vs. this bill as a separate appropriation. In the alternative, the Administration may be submitting a Governor's Budget Message in the near future to reduce the funding support that is currently included in the Executive Supplemental Budget if that would be preferable to aid in the efficiency of the legislative process.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Submitted to the
House Committee on Labor & Public Employment
January 31, 2014 at 9:00am
by
David Lassner
Interim President
University of Hawai'i

HB 2266 – MAKING AN APPROPRIATION TO SUPPORT UNIVERSITY OF HAWAII COLLECTIVE BARGAINING COSTS

Chair Nakashima, Vice Chair Yamashita and members of the committee:

The University of Hawai'i strongly supports House Bill 2266, making an appropriation to support University of Hawai'i collective bargaining agreement costs for Unit 7 members and their excluded counterparts.

This is a high priority request included in the Board of Regents Budget and is fully supported by the Governor in the Executive Budget.

The funds represent the restoration of general funds for faculty salaries that were reduced during the recession, as well as for the modest 3% salary increases that were negotiated for each year of this biennium. This funding request is fully consistent with the appropriations made for all other public employee collective bargaining unit settlements.

The funding requested in this bill is an important cornerstone for supporting the financial sustainability of the University of Hawai'i system and for enabling us to provide the 21st-century facilities for learning our students need and deserve. We consider this item to be our highest funding priority within in our FY15 supplemental operating budget.

We respectfully ask for legislative support for the restoration of faculty salaries to their base levels, as was done for all other collective bargaining units, and for these modest negotiated collective bargaining increases that are consistent with all other collective bargaining settlements for this biennium.

Thank you for the opportunity to testify in strong support of House Bill 2266.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Seventh Legislature, State of Hawaii
House of Representatives
Committee on Labor and Public Employment

Testimony by
Hawaii Government Employees Association
January 31, 2014

H.B. 2266 – MAKING AN APPROPRIATION TO SUPPORT
UNIVERSITY OF HAWAII COLLECTIVE BARGAINING COSTS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 2266, which provides a general fund appropriation to support the employment costs for collective bargaining unit 7 and its excluded counterparts. Expedient passage of this measure will ensure that the mutually agreed upon collective bargaining contracts will be funded.

Thank you for the opportunity to testify in support of H.B. 2266.

Respectfully submitted,

Randy Perreira
Executive Director



House Committee on Labor & Public Employment
State Capitol, Conference Room 209
Friday, January 31, 2014
9:00 a.m.

TESTIMONY RE H.B. 2266, MAKING AN APPROPRIATION TO SUPPORT UNIVERSITY OF
HAWAII COLLECTIVE BARGAINING COSTS

Dear Chairman Nakashima and Committee Representatives:

On behalf of the faculty members in Bargaining Unit 7, I strongly urge your favorable approval of HB 2266. This bill is consistent with forty years of employment relations practice under HRS Chapter 89 with respect to the funding of public sector collective bargaining agreements. The bill is necessary to fund the salary increases agreed to by the State of Hawaii, the UH Board of Regents, and UHPA, the exclusive representative for BU7.

The appropriation includes the costs of the salary increases covered within the 2013 Biennium Budget; a 3% increase effective on July 1, 2013 and a 3% increase effective on July 1, 2014. These amounts are consistent with other public sector bargaining unit increases, over the same period, which have already been approved by the Legislature. Further, the allocation includes the readjusted salary base total to which the increases are applied, consistent with the "snap-back" of public sector salaries approved for this biennium for the bargaining units set forth in HRS Chapter 89.

The approval of these collective bargaining increases in a separate bill is consistent with the provisions of HRS Chapter 89 and the funding of public sector salary increases under the statute. Further, the Legislature's approval is essential to the integrity of the public sector collective bargaining process.

Respectfully submitted,

J. N. Musto, Ph.D.
Executive Director and Chief Negotiator

UNIVERSITY OF HAWAII
PROFESSIONAL ASSEMBLY



Randy Perreira
President

HAWAII STATE AFL-CIO

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The Twenty-Seventh Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Labor & Public Employment

Testimony by
Hawaii State AFL-CIO
January 31, 2014

H.B. 2266 – MAKING AN
APPROPRIATION TO SUPPORT
UNIVERSITY OF HAWAII COLLECTIVE
BARGAINING COSTS

The Hawaii State AFL-CIO supports H.B. 2266 which provides general fund appropriation to support employment costs for Collective Bargaining Unit (7) and its excluded counterparts.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President

STATE OF HAWAII
HAWAII LABOR AND PUBLIC EMPLOYMENT COMMITTEE HEARING

TESTIMONY ON HOUSE BILL 2266
MAKING AN APPROPRIATION TO SUPPORT
UNIVERSITY OF HAWAII COLLECTIVE BARGAINING COSTS
January 31, 2014
9:00 am
Conference Room 309

Chair Mark Nakashima, Vice-Chair Kyle Yamashita, Members of the Committee on Labor and Public Employment

My name is Ann Sakaguchi and I am a tenured faculty member of the University of Hawaii at Manoa's College of Social Sciences. Today, I am writing to kindly request your favorable support and approval of HB2266.

It is very critical that this legislation is approved as it provides funding for the contract negotiated salary increases of 3% for July 1, 2013 and July 1, 2014. It also provides the funds to help cover the costs for the snap-back provisions of the collective bargaining agreement. Please note that this legislation is consistent with the funding of other public sector collective bargaining agreements. It also recognizes the collective bargaining costs as a distinct appropriation to meet the provision of Chapter 89, "The Collective Bargaining Law."

Thank you for this opportunity to submit testimony on this matter. Please contact me at annsakag@hawaii.edu if I can answer any questions.