

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR
ON
HOUSE BILL NO. 833, H.D. 1

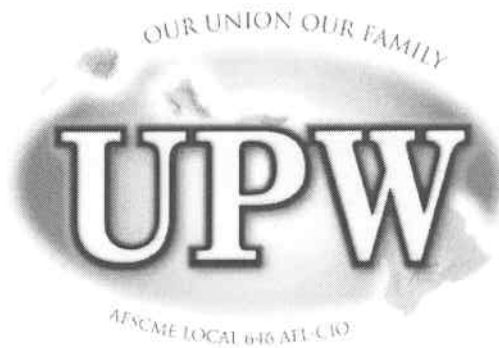
March 18, 2013

MAKING EMERGENCY APPROPRIATIONS FOR COLLECTIVE BARGAINING COST
ITEMS

House Bill No. 833, H.D. 1, appropriates and authorizes funds for collective bargaining cost items for arbitrated settlement for collective Bargaining Unit 10 and their excluded counterparts for Fiscal Biennium 2011-13.

The Department of Budget and Finance supports this Administration proposal which was amended to reflect the costs of the actual award. Interest arbitration proceedings were held in November 2012 and an arbitration award was received on January 10, 2013. The award included no wage reductions for the entire contract period and a 3.2% across the board increase beginning January 16, 2013. The Governor submitted these cost items to the Legislature on January 28, 2013, pursuant to Section 89-11, HRS.

Please note that while the arbitration panel cannot make an award concerning Employer-Union Trust contributions, Section 89-11(g) requires the employer 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. Senate Bill No. 1057, S.D. 2, is a separate Administration bill addressing this matter.



THE HAWAII STATE SENATE
The Twenty-Seventh Legislature
Regular Session of 2013

COMMITTEE ON JUDICIARY AND LABOR
The Honorable Sen. Clayton Hee, Chair
The Honorable Sen. Maile S.L. Shimabukuro, Vice Chair

DATE OF HEARING: Monday, March 18, 2013
TIME OF HEARING: 10:00 a.m.
PLACE OF HEARING: Conference Room 016

**TESTIMONY ON HB833 HD1 MAKING EMERGENCY APPROPRIATIONS FOR
COLLECTIVE BARGAINING COST ITEMS**

By DAYTON M. NAKANELUA,
State Director of the United Public Workers, AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

The UPW supports HB833 that appropriates funding for all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for Unit 10 and its excluded counterparts for fiscal biennium 2011-2013.

Thank you for the opportunity to testify on this measure.