

SB1065

LATE

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR
ON
SENATE BILL NO. 1065

January 28, 2014

MAKING EMERGENCY APPROPRIATIONS FOR COLLECTIVE BARGAINING
COST ITEMS

This measure is a vehicle bill to appropriate and authorize funds for collective bargaining cost items for salary adjustments, other cost adjustments, and Hawaii Employer-Union Health Benefit Trust costs for public employees represented by the Hawaii Fire Fighters Association belonging to Bargaining Unit 11 (firefighters) and their excluded counterparts for Fiscal Biennium 2013-15.

The Department of Budget and Finance supports making appropriations to fund the Bargaining Unit 11 arbitration award. If the Legislature decides to move forward with Senate Bill No. 1065 as a mechanism to fund these costs, the attached draft bill could be used for that purpose. Please be advised that these costs have already been included in the FY 15 Executive Supplemental Budget pursuant to Section 89-10(b), HRS. Appropriate adjustments should be made to the supplemental budget if the Legislature decides to fund the arbitration award through this bill. Additionally, if the Legislature's desire is to pass this bill before the supplemental budget bill, coordination should be made with the Governor's Office to obtain the appropriate emergency appropriation declaration.

Attachment

S.B. NO.1065

Proposed S.D. 1

A BILL FOR AN ACT

MAKING EMERGENCY APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS.

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

1 PART I

2 SECTION 1. This Act is recommended by the governor for
3 immediate passage in accordance with section 9 of article VII of
4 the Hawaii State Constitution.

5 PART II

6 SECTION 2. There are appropriated or authorized from the
7 sources of funding indicated below to departmental
8 administration and budget division (BUF 101) the following sums,
9 or so much thereof as may be necessary, to fund for fiscal
10 biennium 2013-2015 all collective bargaining cost items for
11 salary increases and other wage related costs in the agreement
12 negotiated with the exclusive bargaining representative of
13 collective bargaining unit (11):

	<u>FY 2013-2014</u>	<u>FY 2014-2015</u>
14 General Funds	\$ 105,282	\$ 550,106
15 Special Funds	545,821	2,880,459

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S.B. NO.1065

Proposed S.D. 1

1 SECTION 3. Funds appropriated or authorized by this part
 2 shall be allotted by the director of finance to the appropriate
 3 state departments for expenditure in the respective fiscal year
 4 for the purposes of this part.

PART III

6 SECTION 4. There are appropriated or authorized from the
 7 sources of funding indicated below to departmental
 8 administration and budget division (BUF 101) the following sums,
 9 or so much thereof as may be necessary, to fund for fiscal
 10 biennium 2013-2015, the salary increases and other cost
 11 adjustments authorized by chapter 89C, Hawaii Revised Statutes,
 12 for state officers and employees excluded from collective
 13 bargaining who belong to the same compensation plans as those
 14 officers and employees within collective bargaining unit (11):

	<u>FY 2013-2014</u>	<u>FY 2014-2015</u>
16 General Funds	\$ 7,436	\$ 44,185
17 Special Funds	36,863	225,642

18 SECTION 5. Funds appropriated or authorized by this part
 19 shall be allotted by the director of finance to the appropriate
 20 state departments for expenditure in the respective fiscal year
 21 for the purposes of this part.

PART IV

23 SECTION 6. There are appropriated or authorized from the
 24 sources of funding indicated below to health premium payments

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1 (BUF 761) the following sums, or so much thereof as may be
 2 necessary, to fund for fiscal biennium 2013-2015, the Hawaii
 3 employer union health benefits trust fund costs in the agreement
 4 negotiated with the exclusive bargaining representative of
 5 collective bargaining unit (11):

	<u>FY 2013-2014</u>	<u>FY 2014-2015</u>
7 General Funds	\$ 147,694	\$ 95,956

8 SECTION 7. Funds appropriated or authorized by this part
 9 shall be allotted by the director of finance to the appropriate
 10 state departments for expenditure in the respective fiscal year
 11 for the purposes of this part.

PART V

13 SECTION 8. There are appropriated or authorized from the
 14 sources of funding indicated below to health premium payments
 15 (BUF 761) the following sums, or so much thereof as may be
 16 necessary, to fund for fiscal biennium 2013-2015, the Hawaii
 17 employer union health benefits trust fund costs for state
 18 officers and employees excluded from collective bargaining who
 19 belong to the same compensation plans as those officers and
 20 employees within collective bargaining unit (11):

	<u>FY 2013-2014</u>	<u>FY 2014-2015</u>
22 General Funds	\$ 5,724	\$ 4,420

23 SECTION 9. Funds appropriated or authorized by this part
 24 shall be allotted by the director of finance to the appropriate

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1 state departments for expenditure in the respective fiscal year
2 for the purposes of this part.

3 PART VI

4 SECTION 10. Salary increases and cost adjustments provided
5 in this Act for any officer or employee whose compensation is
6 paid, in whole or in part, from federal, special, or other funds
7 shall be paid wholly or proportionately, as the case may be,
8 from the respective funds.

9 SECTION 11. Funds appropriated or authorized by this Act
10 that are not expended or encumbered by June 30, 2014, and
11 June 30, 2015, of the respective fiscal years, shall lapse as of
12 those dates.

13 SECTION 12. This Act shall take effect upon its approval.

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INTRODUCED BY: _____

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BY REQUEST

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S.B. NO.1065

Proposed S.D. 1

Report Title:

Emergency Appropriations for Collective Bargaining Cost Items

Description:

Provides fund authorizations and appropriations for all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for Unit 11 and its excluded counterparts for fiscal biennium 2013-2015.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.