SB2075 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. 2075

January 24, 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 salary adjustments, other cost adjustments, and Hawaii Employer-Union Health Benefit Trust costs for public employees belonging to Bargaining Unit 14 (State law enforcement, ocean safety, and water safety officers) and their excluded counterparts for Fiscal Biennium 2013-15.

The Department of Budget and Finance notes that this new bargaining unit 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.