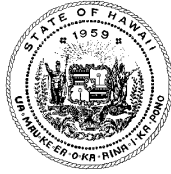


DAVID Y. IGE  
GOVERNOR



JAMES K. NISHIMOTO  
CHIEF NEGOTIATOR

**STATE OF HAWAII  
OFFICE OF COLLECTIVE BARGAINING  
EXECUTIVE OFFICE OF THE GOVERNOR**  
235 S. BERETANIA STREET, SUITE 1201  
HONOLULU, HAWAII 96813-2437

February 23, 2016

TESTIMONY TO THE  
HOUSE COMMITTEE ON FINANCE  
For Hearing on Wednesday, February 24, 2016  
3:00 p.m., Conference Room 308

By

JAMES K. NISHIMOTO  
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**House Bill Nos. 2013, HD1; 2308, HD1; and 2307, HD1  
Making Appropriations for Collective Bargaining Cost Items**

**(WRITTEN TESTIMONY ONLY)**

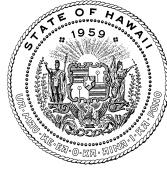
CHAIRPERSON LUKE, VICE CHAIR NISHIMOTO AND MEMBERS OF THE HOUSE  
COMMITTEE ON FINANCE:

These bills provide fund authorizations and appropriations for collective bargaining cost items for bargaining units (8), (11) and (14) and their excluded counterparts for fiscal biennium 2015 – 2017.

The Office of Collective Bargaining (OCB) is **IN SUPPORT** of these bills.

Thank you for the opportunity to testify on these measures.

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

RODERICK K. BECKER  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 2307, H.D. 1

February 24, 2016  
3:00 p.m.

**MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS**

This measure is a vehicle bill to appropriate and authorize funding for collective bargaining cost items for salary adjustments and other cost adjustments for public employees represented by the Hawaii Government Employees Association belonging to Bargaining Unit 14 and their excluded counterparts for Fiscal Biennium 2015-17.

The Department of Budget and Finance supports this Administration proposal, or a similar one, to fund the arbitration award, which was issued February 22, 2016. It is noted that Act 55, SLH 2015, provided funding for the employees of this new bargaining unit as part of Bargaining Units 3 and 4. The attached proposed House Bill No. 2307, H.D. 2, amends Act 55, SLH 2015, to provide for the additional requirements.

Attachment

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# A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS.

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

1           SECTION 1. This Act amends Act 55, Session Laws of  
2 Hawaii 2015.

3           SECTION 2. Part IX, Act 55, Session Laws of Hawaii is  
4 amended by amending Section 17 to read as follows:

5           "SECTION 17. There are appropriated or authorized from the  
6 sources of funding indicated below to collective bargaining  
7 statewide (BUF 102) the following sums, or so much thereof as  
8 may be necessary, to fund for fiscal biennium 2015-2017, all  
9 collective bargaining cost items for salary increases and other  
10 wage related costs in the agreement negotiated with the  
11 exclusive bargaining representative of collective bargaining  
12 unit (14):

	<u>FY 2015-2016</u>	<u>FY 2016-2017</u>
13           General Funds	\$1,250,717	<del>2,241,059</del>
14		<u>6,585,486</u>
15           Special Funds	96,935	<del>184,471</del>
16		<u>561,439</u>
17           Interdepartmental Transfers	198,321	<del>356,026</del>
18		<u>1,074,879</u>
19		

1 SECTION 3. Part X, Act 55, Session Laws of Hawaii is  
2 amended by amending Section 19 to read as follows:

3 "SECTION 19. There are appropriated from the source of  
4 funding indicated below to collective bargaining statewide  
5 (BUF 102) the following sums, or so much thereof as may be  
6 necessary, to fund for fiscal biennium 2015-2017, the salary  
7 increases and other cost adjustments authorized by chapter 89C,  
8 Hawaii Revised Statutes, for state officers and employees  
9 excluded from collective bargaining [~~who belong to the same~~  
10 ~~compensation plans as these officers and employees within~~  
11 ~~collective bargaining~~] unit (14):

	<u>FY 2015-2016</u>	<u>FY 2016-2017</u>
12 General Funds	\$ 35,975	\$ [ <del>57,892</del> 14 <u>174,810</u> "]

15 SECTION 4. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored. In  
17 printing this Act, the revisor of statutes need not include the  
18 bracketed material or the underscoring.

19 SECTION 5. Nothing in this Act shall affect the validity  
20 or continuing effectiveness of any provisions of Act 55, Session  
21 Laws of Hawaii 2015, not repealed or modified by this Act.

22 SECTION 6. This Act shall take effect upon its approval.



## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

The Twenty-Eighth Legislature, State of Hawaii  
House of Representatives  
Committee on Finance

**LATE**

Testimony by  
Hawaii Government Employees Association

February 24, 2016

H.B. 2307, H.D. 1 – MAKING APPROPRIATIONS  
FOR COLLECTIVE BARGAINING COST ITEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports H.B. 2307, H.D. 1 which provides a vehicle to implement the arbitrated collective bargaining agreement for bargaining unit 14 for fiscal biennium 2015 – 2017. We anticipate the arbitration panel's decision in late February.

Thank you for the opportunity to testify in support of H.B. 2307, H.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director