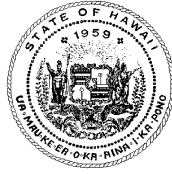


DAVID Y. IGE
GOVERNOR



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

March 29, 2016

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE
For Hearing on Wednesday, March 30, 2016
2:00 p.m., Conference Room 308

By

JAMES K. NISHIMOTO
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**Senate Bill Nos. 2835, SD1; 2836 SD1 HD1; and 2837, SD1
Making Appropriations for Collective Bargaining Cost Items**

(WRITTEN TESTIMONY ONLY)

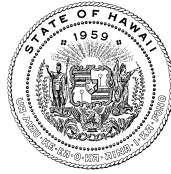
CHAIRPERSON LUKE, VICE CHAIR NISHIMOTO AND MEMBERS OF THE HOUSE
COMMITTEE ON FINANCE:

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

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
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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
SENATE BILL NO. 2836, S.D. 1, H.D. 1

March 30, 2016
2:00 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 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. We would also note that the current draft of this bill specifies that excluded employees funded by this measure belong to the same compensation plans as Bargaining Unit 14. Some managerial employees expected to be funded by this measure, who supervise Bargaining Unit 14 employees, are technically not on the same compensation plan. Because of these excluded managerial compensation plan employees, we recommend striking the phrase "who belong to the same compensation plans as those officers and employees with collective bargaining unit (14)."



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

Testimony by
Hawaii Government Employees Association

March 30, 2016

**S.B. 2836, S.D. 1, H.D. 1 – MAKING APPROPRIATIONS
FOR COLLECTIVE BARGAINING COST ITEMS**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the passage of S.B. 2836, S.D. 1 which implements bargaining unit 14's arbitrated collective bargaining agreement for fiscal biennium 2015 – 2017.

We appreciate the House Labor and Public Employment Committee's H.D. 1, which inserted appropriations to fund the arbitrated decision as delineated in Governor's Message No. 13 dated February 24, 2016.

Thank you for the opportunity to testify in strong support of S.B. 2836.

Respectfully submitted,

 Randy Perreira
Executive Director