

# S.B. NO. 1193

JAN 24 2019

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## A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

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

1 PART I

2 SECTION 1. There are appropriated from the sources of  
3 funding indicated below to collective bargaining statewide  
4 (BUF 102) the following sums, or so much thereof as may be  
5 necessary, to fund for fiscal biennium 2019-2021 all collective  
6 bargaining cost items in the agreement negotiated with the  
7 exclusive representative of collective bargaining unit (3):

8	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
9 General Funds	-0-	-0-
10 Special Funds	-0-	-0-
11 Federal Funds	-0-	-0-
12 Other Funds	-0-	-0-

13 Of the above amounts, the following amounts are for the  
14 department of education:

15	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
16 General Funds	-0-	-0-

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1	Special Funds	-0-	-0-
2	Federal Funds	-0-	-0-
3	Other Funds	-0-	-0-

4 SECTION 2. Funds appropriated by this part shall be  
 5 allotted by the director of finance to the appropriate state  
 6 departments for expenditure in the respective fiscal year for  
 7 the purposes of this part.

8 PART II

9 SECTION 3. There are appropriated from the sources of  
 10 funding indicated below to administration (JUD 601) the  
 11 following sums, or so much thereof as may be necessary, to fund  
 12 for fiscal biennium 2019-2021 all collective bargaining cost  
 13 items in the agreement negotiated with the exclusive  
 14 representative of collective bargaining unit (3):

15		<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
16	General Funds	-0-	-0-
17	Special Funds	-0-	-0-
18	Federal Funds	-0-	-0-
19	Other Funds	-0-	-0-

20 SECTION 4. Funds appropriated by this part shall be  
 21 expended by the chief justice in the respective fiscal year for  
 22 the purposes of this part.

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1 PART III

2 SECTION 5. There are appropriated from the sources of  
3 funding indicated below to collective bargaining statewide  
4 (BUF 102) the following sums, or so much thereof as may be  
5 necessary, to fund for fiscal biennium 2019-2021, the salary  
6 increases and other cost adjustments authorized by chapter 89C,  
7 Hawaii Revised Statutes, for state officers and employees who  
8 are excluded from collective bargaining and belong to the same  
9 compensation plans as those officers and employees within  
10 bargaining unit (3):

11	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
12 General Funds	-0-	-0-
13 Special Funds	-0-	-0-
14 Federal Funds	-0-	-0-
15 Other Funds	-0-	-0-

16 Of the above amounts, the following amounts are for the  
17 department of education:

18	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
19 General Funds	-0-	-0-
20 Special Funds	-0-	-0-
21 Federal Funds	-0-	-0-
22 Other Funds	-0-	-0-

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1 SECTION 6. Funds appropriated by this part shall be  
2 allotted by the director of finance to the appropriate state  
3 departments for expenditure in the respective fiscal year for  
4 the purposes of this part.

5 PART IV

6 SECTION 7. There are appropriated from the sources of  
7 funding indicated below to administration (JUD 601) the  
8 following sums, or so much thereof as may be necessary, to fund  
9 for fiscal biennium 2019-2021, the salary increases and other  
10 cost adjustments authorized by chapter 89C, Hawaii Revised  
11 Statutes, by the chief justice for state officers and employees  
12 who are excluded from collective bargaining and belong to the  
13 same compensation plans as those officers and employees within  
14 bargaining unit (3):

15	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
16 General Funds	-0-	-0-
17 Special Funds	-0-	-0-
18 Federal Funds	-0-	-0-
19 Other Funds	-0-	-0-

20 SECTION 8. Funds appropriated by this part shall be  
21 expended by the chief justice in the respective fiscal year for  
22 the purposes of this part.

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1 PART V

2 SECTION 9. There is appropriated from the source of  
3 funding indicated below to Hawaii health systems  
4 corporation - corporate office (HTH 210) the following sums, or  
5 so much thereof as may be necessary, to fund for fiscal  
6 biennium 2019-2021, the collective bargaining cost items in the  
7 agreement negotiated with the exclusive representative of  
8 collective bargaining unit (3) who are assigned to the Hawaii  
9 health systems corporation:

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
10 Special Funds	-0-	-0-

12 SECTION 10. Funds appropriated by this part shall be  
13 allotted by the director of finance to the Hawaii health systems  
14 corporation for expenditure in the respective fiscal year for  
15 the purposes of this part.

16 PART VI

17 SECTION 11. There is appropriated from the source of  
18 funding indicated below to Hawaii health systems  
19 corporation - corporate office (HTH 210) the following sums, or  
20 so much thereof as may be necessary, to fund for fiscal  
21 biennium 2019-2021, the salary increases and other adjustments

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1 authorized by chapter 89C, Hawaii Revised Statutes, for state  
2 officers and employees who are excluded from collective  
3 bargaining assigned to the Hawaii health systems corporation,  
4 and belong to the same compensation plans as those officers and  
5 employees within bargaining unit (3):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
7 Special Funds	-0-	-0-

8 SECTION 12. Funds appropriated by this part shall be  
9 allotted by the director of finance to the Hawaii health systems  
10 corporation for expenditure in the respective fiscal year for  
11 the purposes of this part.

12 PART VII

13 SECTION 13. Salary increases and cost adjustments provided  
14 in this Act for any officer or employee whose compensation is  
15 paid, in whole or in part, from federal, special, or other funds  
16 shall be paid wholly or proportionately, as the case may be,  
17 from the respective funds.

18 SECTION 14. Funds appropriated or authorized by this Act  
19 that are not expended or encumbered by June 30, 2020, and  
20 June 30, 2021, of the respective fiscal years, shall lapse as of  
21 those dates.

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1 SECTION 15. This Act, upon its approval, shall take effect  
2 on July 1, 2019.

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INTRODUCED BY:                     *Wm H. U.*                    

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BY REQUEST

# S.B. NO. 1193

**Report Title:**

Public Employment Cost Items

**Description:**

Provides appropriations for collective bargaining cost items for the members of Unit (3) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2019-2021.

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



## JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To provide appropriations for collective bargaining cost items and other public employment costs for the members of Unit (3) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2019-2021.

MEANS: By the submittal of a specific appropriation measure.

JUSTIFICATION: Appropriations by the Legislature are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the respective bargaining unit representing state public officers and employees for the fiscal biennium commencing July 1, 2019.

Inasmuch as an agreement with the bargaining unit was not reached in time to include all cost items in the 2019-2021 biennium budget, a separate measure is proposed for submittal to the Legislature.

Impact on the public: "(I)t is the public policy of the State to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are best effectuated by (1) recognizing the right of public employees to organize for the purpose of collective bargaining, (2) requiring the public employers to negotiate with and enter into written agreements with exclusive representatives on matters of wages, hours, and other conditions of employment, while,

at the same time, (3) maintaining merit principles and the principle of equal pay for equal work among state and county employees . . . ." (Section 89-1, Hawaii Revised Statutes).

Impact on the department and other agencies:  
Pay raise and other negotiated cost items are not included in the departments' operating budget request.

GENERAL FUND: To be determined.

OTHER FUNDS: To be determined.

PPBS PROGRAM  
DESIGNATION: BUF 102, Collective Bargaining Statewide.  
JUD 601, Administration.  
HTH 210, Hawaii Health Systems Corporation - Corporate Office.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: July 1, 2019.