



GOV. MSG. NO. 3

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 6, 2020

✓ The Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker of the House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear Senate President Kouchi and Speaker Saiki:

The Hawai'i Government Employees Association (HGEA) and the employer have reached an agreement concerning collective bargaining for Unit 4 (Supervisory White Collar Employees). Notification of ratification of the collective bargaining agreement was issued on March 3, 2020. In accordance with Section 89-10(b), cost items must be submitted to the Legislature. Because the agreement was not reached in time for costs to be included in the biennium budget, an Administration Proposal was submitted to the 2020 Legislature. The estimated costs are as follows:

	<u>FY 20</u>	<u>FY 21</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$2,055,462	\$1,998,354	\$4,053,816
Special	337,960	374,039	711,999
Federal	160,680	145,718	306,398
Other Federal	11,861	10,819	22,680
Trust	17,044	14,956	32,000
Revolving	12,817	13,894	26,711
Other	7,107	6,187	13,294
Special Fund CIP	<u>75,549</u>	<u>68,877</u>	<u>144,426</u>
Total	\$2,678,480	\$2,632,844	\$5,311,324

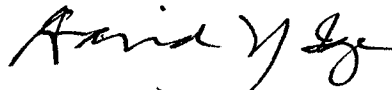
An agreement with HGEA regarding Employer-Union Trust Fund contribution amounts was previously reached and funded during the 2019 Legislature.

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Attached are House Bill No. 2304, Proposed H.D. 2, and Senate Bill No. 2860,
Proposed S.D. 3, to fund the award.

With warmest regards,



David Y. Ige
Governor, State of Hawai'i

Attachments

c: Honorable Donovan M. Dela Cruz
Honorable Sylvia Luke

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

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
11 General funds	\$1,823,159	\$1,770,205
12 Special funds	276,022	277,914
13 Federal funds	160,680	145,718
14 Other federal funds	11,861	10,819
15 Trust funds	17,044	14,956
16 Revolving funds	8,879	9,928
17 Other funds	7,107	6,187

1 Special fund CIP 65,770 57,882

2 Of the above amounts, the following amounts are for the
3 department of education:

4	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
5 General funds	\$844,229	\$780,104
6 Special funds	-0-	147
7 Federal funds	-0-	2,305
8 Trust funds	13,441	11,833
9 Revolving funds	-0-	1,769

10 SECTION 3. Funds appropriated by this part shall be
11 allotted by the director of finance to the appropriate state
12 departments for expenditure in the respective fiscal year for
13 the purposes of this part.

14 PART II

15 SECTION 4. There are appropriated from the sources of
16 funding indicated below to administration (JUD 601) the
17 following sums or so much thereof as may be necessary to fund
18 for fiscal biennium 2019-2021 all collective bargaining cost
19 items in the agreement negotiated with the exclusive
20 representative of collective bargaining unit (4):

21	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
22 General funds	\$195,559	\$192,813

1 Special funds 9,152 7,700

2 SECTION 5. Funds appropriated by this part shall be
3 expended by the chief justice in the respective fiscal year for
4 the purposes of this part.

5 PART III

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
15 General funds	\$36,744	\$35,336
16 Special funds	13,514	12,359
17 Revolving funds	3,938	3,966
18 Special fund CIP	9,779	10,995

19 Of the above amounts, the following amounts are for the
20 department of education:
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	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	-0-	\$773

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

PART IV

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
Special funds	\$39,272	\$76,066

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

1 PART V

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

7 SECTION 11. Funds appropriated or authorized by this Act
8 that are not expended or encumbered by June 30, 2021, shall
9 lapse as of that date.

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

Report Title:

Relating to Public Employment Cost Items

Description:

Makes emergency appropriations for collective bargaining cost items for the members of Unit (4) 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.

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