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**A BILL FOR AN ACT**

MAKING EMERGENCY APPROPRIATIONS FOR 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 (3):

11	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
12 General funds	\$24,884,300	\$22,887,613
13 Special funds	2,129,405	2,150,909
14 Federal funds	2,141,177	2,021,437
15 Other federal funds	443,600	425,022
16 Trust funds	124,019	101,101



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1 for fiscal biennium 2019-2021 all collective bargaining cost  
 2 items in the agreement negotiated with the exclusive  
 3 representative of collective bargaining unit (3):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
4 General funds	\$2,599,507	\$2,041,107
5 Special funds	88,159	88,616

7 SECTION 5. Funds appropriated by this part shall be  
 8 expended by the chief justice in the respective fiscal year for  
 9 the purposes of this part.

10 PART III

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
20 General funds	\$2,037,627	\$2,852,097
21 Special funds	285,479	300,319

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1	Federal funds	89,672	93,344
2	Other federal funds	28,817	22,578
3	Trust funds	10,891	9,343
4	Interdepartmental transfers	29,042	23,609
5	Revolving funds	17,535	18,307
6	Other funds	10,275	12,717
7	Special fund CIP	35,686	37,630

8           Of the above amounts, the following amounts are for the  
9 department of education:

10		<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
11	General funds	\$387,799	\$1,103,546
12	Special funds	-0-	418
13	Federal funds	10,274	15,071
14	Other federal funds	-0-	67
15	Trust funds	-0-	54
16	Interdepartmental transfers	7,261	5,389

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

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1 PART IV

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
12 General funds	\$165,386	\$150,282

13 SECTION 9. Funds appropriated by this part shall be  
14 expended by the chief justice in the respective fiscal year for  
15 the purposes of this part.

16 PART V

17 SECTION 10. 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 collective bargaining cost items in the  
22 agreement negotiated with the exclusive representative of

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1 collective bargaining unit (3) who is assigned to the Hawaii  
2 health systems corporation:

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
4 Special funds	\$1,261,752	\$1,171,114

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

9 PART VI

10 SECTION 12. There is appropriated from the source of  
11 funding indicated below to Hawaii health systems  
12 corporation - corporate office (HTH 210) the following sums or  
13 so much thereof as may be necessary to fund for fiscal  
14 biennium 2019-2021 the salary increases and other adjustments  
15 authorized by chapter 89C, Hawaii Revised Statutes, for state  
16 officers and employees who are excluded from collective  
17 bargaining, assigned to the Hawaii health systems corporation,  
18 and belong to the same compensation plans as those officers and  
19 employees within bargaining unit (3):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
21 Special funds	\$81,911	\$71,343

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1 SECTION 13. Funds appropriated by this part shall be  
2 allotted by the director of finance to the Hawaii health systems  
3 corporation for expenditure in the respective fiscal year for  
4 the purposes of this part.

5 PART VII

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

11 SECTION 15. Funds appropriated or authorized by this Act  
12 that are not expended or encumbered by June 30, 2021, shall  
13 lapse as of that date.

14 SECTION 16. This Act shall take effect upon its approval.

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INTRODUCED BY: 

17

BY REQUEST

JAN 21 2020

# H.B. NO. 2303

**Report Title:**

Emergency Appropriations for Public Employment Cost Items

**Description:**

Makes emergency 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 MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To make emergency 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 that commenced 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.

The general fund appropriation included in this measure has been proposed with consideration of the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. The total proposed appropriations from the general fund (which include the Executive Supplemental Budget for fiscal biennium 2019-2021 and administration proposal BUF-08(20), appropriation for bargaining unit 13 collective bargaining increases to be

submitted) exceed the appropriation ceiling by \$14,179,623 or 0.2 percent in fiscal year 2019-2020. Funding requested in this measure for collective bargaining increases for bargaining unit 3 will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2019-2020 by an additional \$29,686,820 or 0.4 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2019-2020 in the Executive Supplemental Budget, administration proposal BUF-08(20), and this measure only and does not include other general fund appropriations for fiscal year 2019-2020 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2020.

The total proposed appropriations from the general fund (which include the Executive Supplemental Budget for fiscal biennium 2019-2021 and administration proposal BUF-08(20), appropriation for bargaining unit 13 collective bargaining increases to be submitted) exceed the appropriation ceiling by \$24,761,740 or 0.3 percent in fiscal year 2020-2021. Funding requested in this measure for collective bargaining increases for bargaining unit 3 will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2020-2021 by an additional \$27,931,099 or 0.3 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2020-2021 in the Executive Supplemental Budget, administration proposal BUF-08(20), and this measure only and does not include other general fund appropriations for fiscal year 2020-2021 that may be authorized for the Executive Branch in other legislation

submitted to the Legislature during the regular session of 2020.

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:           FY 20:   \$29,686,820  
                              FY 21:   \$7,579,081

OTHER FUNDS:           FY 20:   \$27,931,099  
                              FY 21:   \$7,325,079

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:        Upon approval.