

**S.B. NO. 1196**

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 (6):

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 SECTION 2. Funds appropriated by this part shall be  
14 allotted by the director of finance to the appropriate state  
15 departments for expenditure in the respective fiscal year for  
16 the purposes of this part.

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1 PART II

2 SECTION 3. 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 (6):

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

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16 SECTION 4. Funds appropriated by this part shall be  
17 allotted by the director of finance to the appropriate state  
18 departments for expenditure in the respective fiscal year for  
19 the purposes of this part.

20 PART III

21 SECTION 5. Salary increases and cost adjustments provided  
22 in this Act for any officer or employee whose compensation is

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1 paid, in whole or in part, from federal, special, or other funds  
2 shall be paid wholly or proportionately, as the case may be,  
3 from the respective funds.

4 SECTION 6. Funds appropriated or authorized by this Act  
5 that are not expended or encumbered by June 30, 2020, and  
6 June 30, 2021, of the respective fiscal years, shall lapse as of  
7 those dates.

8 SECTION 7. This Act, upon its approval, shall take effect  
9 on July 1, 2019.

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INTRODUCED BY: 

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BY REQUEST

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**Report Title:**

Public Employment Cost Items

**Description:**

Provides appropriations for collective bargaining cost items for the members of Unit (6) 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 (6) 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.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: July 1, 2019.