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HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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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 CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON LABOR, CULTURE AND THE ARTS AND
WAYS AND MEANS
ON
HOUSE BILL NO. 2304, H.D. 1**

**March 10, 2020
11:00 a.m.
Room 211**

RELATING TO PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports this Administration measure.

This measure is a vehicle bill to appropriate and authorize appropriations for retroactive increases for collective bargaining cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2019-21 for Bargaining Unit (BU) 4.

BU 4 ratified a new collective bargaining agreement on March 3, 2020. A proposed House Draft 2 of the bill is attached, inserting the required appropriation amounts for the agreement.

Thank you for your consideration of our comments.

Attachment

1 Special fund CIP 65,770 57,882

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

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

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
21 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		
16	General funds \$36,744	\$35,336
17	Special funds 13,514	12,359
18	Revolving funds 3,938	3,966
19	Special fund CIP 9,779	10,995

20 Of the above amounts, the following amounts are for the
21 department of education:

1	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
2 General funds	-0-	\$773

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

7 PART IV

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

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

18 SECTION 9. Funds appropriated by this part shall be
19 allotted by the director of finance to the Hawaii health systems
20 corporation for expenditure in the respective fiscal year for
21 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.

PROPOSED

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.

PROPOSED



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Labor, Culture and the Arts
and
Senate Committee on Ways and Means
March 10, 2020 at 11:00 a.m.

by
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 2304 HD1 – RELATING TO PUBLIC EMPLOYMENT COST ITEMS

Chairs Taniguchi and Dela Cruz, Vice Chairs Ihara and Keith-Agaran, and members of the Committees:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** HB 2304 HD1, Relating to Public Employment Cost Items. This bill provides appropriations for collective bargaining cost items for members of Unit (4) and their excluded counterparts, for fiscal biennium 2019-2021.

Thank you for this opportunity to testify.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirtieth Legislature, State of Hawaii
The Senate
Committee on Labor, Culture and the Arts
Committee on Ways & Means

Testimony by
Hawaii Government Employees Association

March 6, 2020

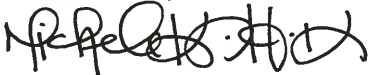
H.B. 2302, H.B. 2303, H.B. 2304, H.B. 2306,
H.B. 2307, H.B. 2308, and H.B. 2309 –
MAKING EMERGENCY APPROPRIATIONS
FOR PUBLIC EMPLOYMENT COST ITEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 2302, H.B. 2303, H.B. 2304, H.B. 2306, H.B. 2307, H.B. 2308, and H.B. 2309, each of which provides an emergency funding vehicle to implement collective bargaining agreements for Bargaining Units 02, 03, 04, 08, 09, 13, and 14, respectively.

Bargaining Units 02 (blue collar supervisors), 03 (white collar employees), 04 (white collar supervisors), 08 (administrative, professional & technical employees in the University of Hawaii system), and 13 (professional & scientific employees) each reached settlement agreements with the Employer and unit members ratified their contracts by vote. Bargaining Unit 09 (nurses) proceeded to arbitration and a final & binding decision was rendered on September 16, 2019. Bargaining Unit 14 (law enforcement officers and ocean and water safety officers) recently concluded arbitration proceedings and we are awaiting a final & binding decision from the arbitration panel.

We defer to the Department of Budget & Finance to provide the specific dollar amounts per unit and per fiscal year, as we only have employee information for the members we represent. Thank you for the opportunity to testify in strong support of the bills.

Respectfully submitted,


for Randy Perreira
Executive Director