



GOV. MSG. NO. 23

EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

April 22, 2022

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

The Honorable Scott K. Saiki
Speaker of the House of Representatives
Thirty-First 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 (CB) for Unit 2 (Blue Collar Supervisors). Notification of ratification of the CB agreement was issued on April 19, 2022. In accordance with Section 89-10(b), cost items must be submitted to the Legislature for appropriation. The following summary of the included and excluded requirements of the settlement for the current fiscal biennium is being transmitted to the Legislature for authorization:

| | <u>FY 22</u> | <u>FY 23</u> | <u>Biennium</u> |
|------------------------------|--------------|---------------|-----------------|
| <u>Salaries & Fringe</u> | | | |
| General | \$269,687 | \$1,007,961 | \$1,277,648 |
| Special | 90,627 | 369,515 | 460,142 |
| Federal | 5,339 | 21,587 | 26,926 |
| Revolving | <u>8,885</u> | <u>34,407</u> | <u>43,292</u> |
| Total | \$374,538 | \$1,433,470 | \$1,808,008 |

An agreement with HGEA regarding Employer-Union Trust Fund contribution amounts has also been reached. This was previously funded during the 2021 Legislative Session.

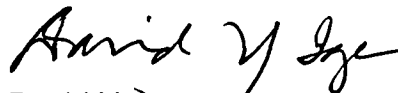
The Honorable Ronald D. Kouchi
The Honorable Scott K. Saiki
April 22, 2022
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Estimated costs for the third and fourth years of the agreement are also provided for your reference:

| | <u>FY 24</u> | <u>FY 25</u> | <u>Biennium</u> |
|------------------------------|---------------|----------------|-----------------|
| <u>Salaries & Fringe</u> | | | |
| General | \$2,484,760 | \$4,060,070 | \$6,544,830 |
| Special | 912,117 | 1,491,311 | 2,403,428 |
| Federal | 53,210 | 86,940 | 140,150 |
| Revolving | <u>85,340</u> | <u>139,842</u> | <u>225,182</u> |
| Total | \$3,535,427 | \$5,778,163 | \$9,313,590 |

Attached is a proposed draft of Senate Bill No. 2783, S.D. 1, H.D. 1, Proposed C.D. 1, to fund the award.

With warmest regards,



David Y. Ige
Governor, State of Hawai'i

Attachment

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:

PART I

SECTION 1. There are appropriated from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (2):

| | <u>FY 2021-2022</u> | <u>FY 2022-2023</u> |
|-----------------|---------------------|---------------------|
| General funds | \$268,840 | \$1,005,044 |
| Special funds | 77,113 | 315,227 |
| Federal funds | 5,339 | 21,587 |
| Revolving funds | 8,146 | 31,886 |

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

| | <u>FY 2021-2022</u> | <u>FY 2022-2023</u> |
|---------------|---------------------|---------------------|
| General funds | \$148,084 | \$529,865 |
| Special funds | -0- | 92 |

SECTION 2. 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.

7 SECTION 3. There is appropriated from the source of
8 funding indicated below to administration (JUD 601) the
9 following sums or so much thereof as may be necessary to fund
10 for fiscal biennium 2021-2023 all collective bargaining cost
11 items in the agreement negotiated with the exclusive
12 representative of collective bargaining unit (2):

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

SECTION 5. There are appropriated from the sources of
funding indicated below to collective bargaining statewide
(BUF 102) the following sums or so much thereof as may be
necessary to fund for fiscal biennium 2021-2023 the salary

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

| | <u>FY 2021-2022</u> | <u>FY 2022-2023</u> |
|-------------------|---------------------|---------------------|
| 7 General funds | \$178 | \$ 606 |
| 8 Revolving funds | 739 | 2,521 |

9 SECTION 6. Funds appropriated by this part shall be
 10 allotted by the director of finance to the appropriate state
 11 departments for expenditure in the respective fiscal year for
 12 the purposes of this part.

PART IV

14 SECTION 7. There is appropriated from the source of
 15 funding indicated below to Hawaii health systems
 16 corporation - corporate office (HTH 210) the following sums or
 17 so much thereof as may be necessary to fund for fiscal
 18 biennium 2021-2023 the collective bargaining cost items in the
 19 agreement negotiated with the exclusive representative of
 20 collective bargaining unit (2) who is assigned to the Hawaii
 21 health systems corporation:

| | <u>FY 2021-2022</u> | <u>FY 2022-2023</u> |
|---------------|---------------------|---------------------|
| Special funds | \$13,514 | \$54,288 |

SECTION 8. 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.

PART V

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

SECTION 10. The fiscal year 2021-2022 appropriations under this Act shall not lapse until the end of fiscal biennium 2021-2023; provided that funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2023, shall lapse as of that date.

SECTION 11. This Act shall take effect upon its approval.

S.B. NO.

2783
S.D. 1
H.D. 1
C.D. 1
PROPOSED

Report Title:

Public Employment Cost Items

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (2) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2021-2023.

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