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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)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS
ON
SENATE BILL NO. 2790

January 28, 2022
3:00 p.m.
Room 225 & Videoconference

RELATING TO PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports moving this measure or a similar one. An agreement has been reached with Hawai'i Government Employees Association Bargaining Unit 9 (Registered Nurses). Notification of ratification of the agreement was received on January 18, 2022.

The attached Proposed Senate Draft appropriates and authorizes the necessary appropriations for collective bargaining cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2021-23 for that agreement

Thank you for your consideration of our comments.

Attachment

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 2021-2023 all collective
6 bargaining cost items in the agreement negotiated with the
7 exclusive representative of collective bargaining unit (9):

8	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
9 General funds	\$663,530	\$3,221,686
10 Special funds	4,684	17,735
11 Federal funds	10,950	37,498
12 Other federal funds	19,650	86,104
13 Revolving funds	7,753	45,688

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

16	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
17 General funds	\$2,575	\$7,474

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

5 PART II

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

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
12 General funds	\$5,093	\$22,595

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

17 PART III

18 SECTION 5. There is appropriated from the source of
19 funding indicated below to collective bargaining statewide
20 (BUF 102) the following sums or so much thereof as may be
21 necessary to fund for fiscal biennium 2021-2023 the salary
22 increases and other cost adjustments authorized by chapter 89C,

1 Hawaii Revised Statutes, for state officers and employees who
2 are excluded from collective bargaining and belong to the same
3 compensation plans as those officers and employees within
4 bargaining unit (9):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
6 General funds	\$15,870	\$97,066

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

11 PART IV

12 SECTION 7. There is appropriated from the source of
13 funding indicated below to administration (JUD 601) the
14 following sums or so much thereof as may be necessary to fund
15 for fiscal biennium 2021-2023 the salary increases and other
16 cost adjustments authorized by chapter 89C, Hawaii Revised
17 Statutes, by the chief justice for state officers and employees
18 who are excluded from collective bargaining and belong to the
19 same compensation plans as those officers and employees within
20 bargaining unit (9):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
22 General funds	\$2,399	\$7,681

1 SECTION 8. Funds appropriated by this part shall be
2 expended by the chief justice in the respective fiscal year for
3 the purposes of this part.

4 PART V

5 SECTION 9. There is appropriated from the source of
6 funding indicated below to Hawaii health systems
7 corporation - corporate office (HTH 210) the following sums or
8 so much thereof as may be necessary to fund for fiscal
9 biennium 2021-2023 the collective bargaining cost items in the
10 agreement negotiated with the exclusive representative of
11 collective bargaining unit (9) who is assigned to the Hawaii
12 health systems corporation:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
14 Special funds	\$962,259	\$4,654,014

15 SECTION 10. Funds appropriated by this part shall be
16 allotted by the director of finance to the Hawaii health systems
17 corporation for expenditure in the respective fiscal year for
18 the purposes of this part.

19 PART VI

20 SECTION 11. There is appropriated from the source of
21 funding indicated below to Hawaii health systems
22 corporation - corporate office (HTH 210) the following sums or

1 so much thereof as may be necessary to fund for fiscal
 2 biennium 2021-2023 the salary increases and other adjustments
 3 authorized by chapter 89C, Hawaii Revised Statutes, for state
 4 officers and employees who are excluded from collective
 5 bargaining, assigned to the Hawaii health systems corporation,
 6 and belong to the same compensation plans as those officers and
 7 employees within bargaining unit (9):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
9 Special funds	\$25,759	\$120,415

10 SECTION 12. Funds appropriated by this part shall be
 11 allotted by the director of finance to the Hawaii health systems
 12 corporation for expenditure in the respective fiscal year for
 13 the purposes of this part.

14 PART VII

15 SECTION 13. Salary increases and cost adjustments provided
 16 in this Act for any officer or employee whose compensation is
 17 paid, in whole or in part, from federal, special, or other funds
 18 shall be paid wholly or proportionately, as the case may be,
 19 from the respective funds.

20 SECTION 14. The fiscal year 2021-2022 appropriations under
 21 this Act shall not lapse until the end of fiscal
 22 biennium 2021-2023; provided that funds appropriated or

1 authorized by this Act that are not expended or encumbered by
2 June 30, 2023, shall lapse as of that date.

3 SECTION 15. This Act shall take effect upon its approval.

4

5

INTRODUCED BY: _____

6

BY REQUEST

Report Title:

Public Employment Cost Items

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (9) 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.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Thirty-First Legislature, State of Hawaii
The Senate
Committee on Labor, Culture and the Arts

Testimony by
Hawaii Government Employees Association

January 28, 2022

S.B. 2783, S.B. 2784, S.B. 2785, S.B. 2787,
S.B. 2789, S.B. 2790, S.B. 2794, S.B. 2795,
S.B. 2796 – RELATING TO PUBLIC
EMPLOYMENT COST ITEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2783, S.B. 2784, S.B. 2785, S.B. 2787, S.B. 2789, S.B. 2790, S.B. 2794, S.B. 2795, and S.B. 2796, each of which provides a funding vehicle to implement collective bargaining agreements for Bargaining Units 02, 03, 04, 06, 08, 09, 13, 14, and 15 respectively, for the fiscal biennium 2021 – 2023.

On January 15, 2022, our registered professional nurses in bargaining unit 09 ratified a successor 4-year contract, effective July 1, 2021 to June 30, 2025. We respectfully request S.B. 2790 be amended to include the appropriate funding amounts and defer to the Employer to provide the cost estimates.

Although we are in the middle of the negotiations process with the Employer, no other units have reached agreement, therefore those respective bills contain no appropriations at this time. We respectfully request the Committee pass these vehicle bills in case we are able to settle our contracts prior to adjournment.

Thank you for the opportunity to support the above referenced measures.

Respectfully submitted,

Randy Perreira
Executive Director



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Labor, Culture and the Arts
January 28, 2022 at 3:00 p.m.

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

SB 2790 – RELATING TO PUBLIC EMPLOYMENT COST ITEMS

Chair Taniguchi, Vice Chair Ihara, and members of the committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** SB 2790, Relating to Public Employment Cost Items. This bill provides appropriations for collective bargaining cost items for members of Unit (9) and their excluded counterparts for fiscal biennium 2021-2023.

Although an agreement between the employer and the employees has not yet been reached, this bill serves as a vehicle should such an agreement occur.

Thank you for this opportunity to testify.