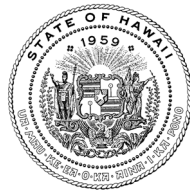


JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kāla
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON LABOR & GOVERNMENT OPERATIONS
ON
SENATE BILL NO. 1302, S.D. 1

March 14, 2023
9:30 a.m.
Room 309 and Videoconference

RELATING TO PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports moving this Administration proposal, or a similar bill, as negotiations are currently in progress and a vehicle bill may be necessary if an agreement is reached requiring an appropriation prior to the end of the legislative session.

This measure appropriates and authorizes appropriations for collective bargaining (CB) cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2023-25 for Bargaining Unit (BU) 5. We would also like to note that Administration proposals have been submitted for each of the other BUs with State employees to provide funding for Employer-Union Trust Fund CB requirements should agreements be reached pursuant to contract re-opener negotiations.

Thank you for your consideration of our comments.



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Osa Tui, Jr.
President
Logan Okita
Vice President
Lisa Morrison
Secretary-Treasurer
Ann Mahi
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR &
GOVERNMENT OPERATIONS

RE: SB 1302 SD1- RELATING TO PUBLIC EMPLOYMENT COST ITEMS

TUESDAY, MARCH 14, 2023

OSA TUI, JR., PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Matayoshi and Members of the Committee:

The Hawaii State Teachers Association **strongly supports SB1302, SD1**, making appropriations for collective bargaining cost items. This bill provides appropriations for collective bargaining cost items for the members of Unit (5) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2023-2025

The Hawaii State Teachers Association is the exclusive representative of the state's 13,700 public school educators and the local affiliate of the 2.2-million-member National Education Association (NEA). This measure provides a vehicle to fund a collective bargaining agreement for bargaining unit (5) upon ratification of new contract.

The Hawaii State Teachers Association asks your committee to **support** this bill.

SB-1302-SD-1

Submitted on: 3/14/2023 1:25:46 AM

Testimony for LGO on 3/14/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Julie Reyes Oda	Individual	Comments	Written Testimony Only

Comments:

Dear Chair Matayoshi and members of the Labor & Government Operations Committee. My name is Julie Reyes Oda, a teacher at Nānākuli High and Intermediate. I am providing comments on SB 1302.

This bill is for the fiscal biennium 2023-25 to appropriate money to Bargaining Unit 05 for cost items including salary increases. The only negotiations update I heard from the union was a month ago and I asked about this placeholder bill. I asked if the drop dead date for a cost related bill to be passed is April 28. All in attendance were told by our chief negotiator, Andrea Eshelman, that April 28 is an arbitrary deadline and we can negotiate beyond that date. I know we can, but will anything that costs money be paid for? That's the main question. That question was answered yesterday at the Senate Committee on Labor and Technology when Senator Gilbert Keith-Agaran asked Budget and Finance Director, Luis Salaveria what happens if the employer and union comes to an agreement after April 28? Mr. Salaveria said that the request for money would be put in next year's request to be paid retroactively.

Mr. Salaveria's comment was as simple as one could put it, if that was reality for us. This is the reality for Unit 05:

- The bargaining period started on July 1 last year and we didn't actually start negotiating until the middle of December, we have lost a lot of time.**
- HSTA also declined the reopener during the pandemic saying that they were worried that our pay would go down. The other unions got something, we got nothing.**
- HSTA declined Governor Ige's proposal last year that all other public unions accepted or settled, saying that they were going to fight for better language. Other unions got a bonus of a \$ amount, like UPW's \$1,000 or a % like UHPA's 1% of base salary. They also got guaranteed increases annually. We got nothing. We are the only public union negotiating and we are the only one who got nothing contractually for two years.**
- HSTA knew we had negotiations coming up two years in advance. They should have been ready to go on July 1. The DOE likes to drag things out to force us into a last-minute "take it or leave it" situation. None of this is good for teachers. We want a fair deal like everyone else, no more no less.**

I have never been on the negotiations committee and I assume the biggest cost item is salary just because the multiplier is over 13,000 people. Yes, salary is important but it isn't the only cost item left to negotiate.

There is an expectation that teachers be agreeable and non-challenging, but we need to know the hard truth. Can you please answer this question today:

- **If a contract is settled after April 28, are we guaranteed that any retroactive cost items agreed to will be paid for in the next fiscal year?**

Thank you.

Julie