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TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON LABOR AND TECHNOLOGY
ON
SENATE BILL NO. 3063

February 7, 2024
3:00 p.m.
Room 224 and Videoconference

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports moving this Administration proposal, or a similar bill, as collective bargaining (CB) negotiations regarding the issue of temporary hazard pay are currently in progress and vehicle bills may be necessary if an agreement is reached requiring an appropriation prior to the end of the legislative session.

These measures appropriate and authorize appropriations for CB cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2023-25 for the Hawai'i Government Employees Association, Bargaining Units 2, 3, 4, 9, 13, and 14.

Thank you for your consideration of our comments.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō‘ike Mana‘o I Mua O Ka ‘Aha‘ōlelo

Testimony Presented Before the
Senate Committee on Labor and Technology
February 7, 2024 at 3:00 p.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

SB 3063 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT
COST ITEMS

Chair Aquino, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** SB 3063, Making Emergency Appropriations for Public Employment Cost Items. This bill makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (9), (13), and (14) and their excluded counterparts for fiscal biennium 2023-2025.

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 Thirty-Second Legislature, State of Hawaii
The Senate
Committee on Labor and Technology

Testimony by
Hawaii Government Employees Association

February 7, 2024

**S.B. 3063 - MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC
EMPLOYMENT COST ITEMS**

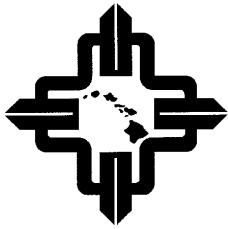
The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the passage of S.B. 3063, which makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (9), (13), and (14) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2023-2025.

We respectfully request that this measure be passed to cover the cost of any collective bargaining cost item(s).

Thank you for the opportunity to testify in strong support of S.B. 3063.

Respectfully submitted,

Randy Perreira
Executive Director



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare For All"

Senate Committee on Labor and Technology
Senator Henry J.C. Aquino, Chair
Senator Sharon Y. Moriwaki, Vice Chair

February 7, 2024
Via Videoconference
Conference Room 224
3:00 p.m.
Hawaii State Capitol

Testimony in Strong Support
SB 3063 Relating to Making Emergency Appropriations
for Public Employment Cost Items.

Makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (9), (13), and (14) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2023-2025.

Edward N. Chu
President and Chief Executive Officer
Hawaii Health Systems Corporation

Hawaii Health Systems Corporation ("HHSC") **strongly supports** SB 3063.

HHSC is bound by the public sector union collective bargaining pay increases that are negotiated by the State of Hawaii and arbitration awards. Despite our progress in financial and operational performance, HHSC is unable to keep up with collective bargaining pay increases and future mandated increases in the fringe rate for pension and retiree health insurance costs (OPEB). The inability to generate sufficient revenue to cover these costs led to reductions in personnel and services in fiscal year 2016, and may lead to future reductions in personnel and services unless sufficient general fund or emergency appropriations are provided to cover these rising costs.

Accordingly, HHSC needs a general fund appropriation to pay for any cost items included in this bill.

Thank you for the opportunity to testify on this important measure.