

# S.B. NO. 1354

JAN 23 2025

## 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 2025-2027 all collective  
6 bargaining cost items in the agreement negotiated with the  
7 exclusive representative of collective bargaining unit (9):

8	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	-0-	-0-
10 Special funds	-0-	-0-
11 Federal funds	-0-	-0-
12 Other funds	-0-	-0-

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

15	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
16 General funds	-0-	-0-
17 Special funds	-0-	-0-
18 Federal funds	-0-	-0-

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1 Other funds -0- -0-

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

6 PART II

7 SECTION 3. There are appropriated from the sources 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 2025-2027 all collective bargaining cost  
11 items in the agreement negotiated with the exclusive  
12 representative of collective bargaining unit (9):

13	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
14 General funds	-0-	-0-
15 Special funds	-0-	-0-
16 Federal funds	-0-	-0-
17 Other funds	-0-	-0-

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

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## PART III

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 2025-2027 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within bargaining unit (9):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
General funds	-0-	-0-
Special funds	-0-	-0-
Federal funds	-0-	-0-
Other funds	-0-	-0-

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

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
General funds	-0-	-0-
Special funds	-0-	-0-
Federal funds	-0-	-0-
Other funds	-0-	-0-

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SECTION 6. 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.

## PART IV

SECTION 7. There are appropriated from the sources of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2025-2027 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, by the chief justice for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within bargaining unit (9):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
General funds	-0-	-0-
Special funds	-0-	-0-
Federal funds	-0-	-0-
Other funds	-0-	-0-

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

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1 PART V

2 SECTION 9. There are appropriated from the source of  
 3 funding indicated below to Hawaii health systems  
 4 corporation - corporate office (HTH 210) the following sums or  
 5 so much thereof as may be necessary to fund for fiscal  
 6 biennium 2025-2027 the collective bargaining cost items in the  
 7 agreement negotiated with the exclusive representative of  
 8 collective bargaining unit (9) who is assigned to the Hawaii  
 9 health systems corporation:

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
11 Special funds	-0-	-0-

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

16 PART VI

17 SECTION 11. There are appropriated from the source of  
 18 funding indicated below to Hawaii health systems  
 19 corporation - corporate office (HTH 210) the following sums or  
 20 so much thereof as may be necessary to fund for fiscal  
 21 biennium 2025-2027 the salary increases and other cost  
 22 adjustments authorized by chapter 89C, Hawaii Revised Statutes,

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

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
6 Special funds	-0-	-0-

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

## 11 PART VII

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

17 SECTION 14. Funds appropriated or authorized by this Act  
 18 that are not expended or encumbered by June 30, 2026, and  
 19 June 30, 2027, of the respective fiscal years, shall lapse as of  
 20 those dates.

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1       SECTION 15.   This Act shall take effect on July 1, 2025.

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INTRODUCED BY: 

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BY REQUEST

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**Report Title:**

Public Employment Cost Items; BU-9

**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 2025-2027.

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



JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To provide appropriations for collective bargaining cost items and other public employment costs 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 2025-2027.

MEANS: By the submittal of a specific appropriation measure.

JUSTIFICATION: Appropriations by the Legislature are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the respective bargaining unit representing state public officers and employees for the fiscal biennium commencing July 1, 2025.

Inasmuch as an agreement with the bargaining unit was not reached in time to include all cost items in the 2025-2027 biennium budget, a separate measure is proposed for submittal to the Legislature.

Impact on the public: "[I]t is the public policy of the State to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are best effectuated by: (1) Recognizing the right of public employees to organize for the purpose of collective bargaining; (2) Requiring public employers to negotiate with and enter into written agreements with exclusive representatives on matters of wages, hours, and other conditions of employment, while, at the same time,

maintaining the merit principle pursuant to section 76-1 . . . ." (Section 89-1(b), Hawaii Revised Statutes).

Impact on the department and other agencies:  
Pay raise and other negotiated cost items are not included in the departments' operating budget request.

GENERAL FUND: To be determined.

OTHER FUNDS: To be determined.

PPBS PROGRAM  
DESIGNATION: BUF 102, Collective Bargaining Statewide.  
JUD 601, Administration.  
HTH 210, Hawaii Health Systems Corporation - Corporate Office.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: July 1, 2025.