

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



GOV. MSG. NO. 1139

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

May 13, 2025

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

The Honorable Nadine Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on May 13, 2025, the following bill was signed into law:

H.B. NO. 1038, H.D. 1,  
S.D. 1, C.D. 1

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.  
**ACT 039**

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.  
Governor, State of Hawai'i

Approved by the Governor

on MAY 13 2025

HOUSE OF REPRESENTATIVES  
THIRTY-THIRD LEGISLATURE, 2025  
STATE OF HAWAII

**ACT 039**

**H.B. NO.** 1038  
H.D. 1  
S.D. 1  
C.D. 1

# 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 or authorized from the  
3 sources of funding indicated below to collective bargaining  
4 statewide (BUF 102) the following sums or so much thereof as may  
5 be necessary to fund for fiscal biennium 2025-2027 all  
6 collective bargaining cost items in the agreement negotiated  
7 with the exclusive representative of collective bargaining unit  
8 (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
10 General funds	\$14,473,973	\$29,195,058
11 Special funds	\$3,309,351	\$6,179,248
12 Federal funds	\$2,267,406	\$4,443,643
13 Other federal funds	\$716,877	\$1,127,360
14 Trust funds	\$154,637	\$330,168
15 Interdepartmental transfers	\$57,412	\$108,858
16 Revolving funds	\$478,483	\$794,913
17 Other funds	\$167,137	\$385,955





1 cost items in the agreement negotiated with the exclusive  
2 representative of collective bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
4 General funds	\$1,394,126	\$3,013,192
5 Special funds	\$19,570	\$35,496

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

9 PART III

10 SECTION 5. There are appropriated or authorized from the  
11 sources of funding indicated below to collective bargaining  
12 statewide (BUF 102) the following sums or so much thereof as may  
13 be necessary to fund for fiscal biennium 2025-2027 the salary  
14 increases and other cost adjustments authorized by chapter 89C,  
15 Hawaii Revised Statutes, for state officers and employees who  
16 are excluded from collective bargaining and belong to the same  
17 compensation plans as those officers and employees within  
18 bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
20 General funds	\$6,272,954	\$9,847,518
21 Special funds	\$1,315,459	\$2,005,134





1 for fiscal biennium 2025-2027 the salary increases and other  
2 cost adjustments authorized by chapter 89C, Hawaii Revised  
3 Statutes, by the chief justice for state officers and employees  
4 who are excluded from collective bargaining and belong to the  
5 same compensation plans as those officers and employees within  
6 bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
8 General funds	\$501,436	\$1,011,312

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

12 PART V

13 SECTION 9. There are authorized from the source of funding  
14 indicated below to Hawaii health systems corporation - corporate  
15 office (HTH 210) the following sums or so much thereof as may be  
16 necessary to fund for fiscal biennium 2025-2027 the collective  
17 bargaining cost items in the agreement negotiated with the  
18 exclusive representative of collective bargaining unit (13) who  
19 is assigned to the Hawaii health systems corporation:

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
21 Special funds	\$1,136,063	\$2,159,069



1 SECTION 10. Funds authorized by this part shall be  
2 allotted by the director of finance to the Hawaii health systems  
3 corporation for expenditure in the respective fiscal year for  
4 the purposes of this part.

5 PART VI

6 SECTION 11. There are authorized from the source of  
7 funding indicated below to Hawaii health systems corporation -  
8 corporate office (HTH 210) the following sums or so much thereof  
9 as may be necessary to fund for fiscal biennium 2025-2027 the  
10 salary increases and other cost adjustments authorized by  
11 chapter 89C, Hawaii Revised Statutes, for state officers and  
12 employees who are excluded from collective bargaining, assigned  
13 to the Hawaii health systems corporation, and belong to the same  
14 compensation plans as those officers and employees within  
15 bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
17 Special funds	\$290,065	\$495,720

18 SECTION 12. Funds authorized by this part shall be  
19 allotted by the director of finance to the Hawaii health systems  
20 corporation for expenditure in the respective fiscal year for  
21 the purposes of this part.



1 PART VII

2 SECTION 13. There are appropriated from the source of  
3 funding indicated below to health premium payments (BUF 761) the  
4 following sums or so much thereof as may be necessary to fund  
5 for fiscal biennium 2025-2027 all collective bargaining cost  
6 items in the agreement negotiated with the exclusive  
7 representative of collective bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	\$4,352,224	\$9,222,603

10 SECTION 14. Funds appropriated by this part shall be  
11 allotted by the director of finance to the appropriate state  
12 departments for expenditure in the respective fiscal year for  
13 the purposes of this part.

14 PART VIII

15 SECTION 15. There are appropriated from the source of  
16 funding indicated below to health premium payments (BUF 761) the  
17 following sums or so much thereof as may be necessary to fund  
18 for fiscal biennium 2025-2027 the salary increases and other  
19 cost adjustments authorized by chapter 89C, Hawaii Revised  
20 Statutes, for state officers and employees who are excluded from



1 collective bargaining and belong to the same compensation plans  
2 as those officers and employees within bargaining unit (13):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
4 General funds	\$1,761,454	\$3,672,613

5 SECTION 16. Funds appropriated by this part shall be  
6 allotted by the director of finance to the appropriate state  
7 departments for expenditure in the respective fiscal year for  
8 the purposes of this part.

9 PART IX

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

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

19 SECTION 19. This Act shall take effect on July 1, 2025.



H.B. NO. 1038  
H.D. 1  
S.D. 1  
C.D. 1

APPROVED this 13th day of May, 2025

A handwritten signature in black ink, appearing to read "Josh Green". The signature is fluid and cursive, with a large initial "J" and "G".

GOVERNOR OF THE STATE OF HAWAII

HB No. 1038, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.



Nadine K. Nakamura  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 30, 2025  
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2025.

  
President of the Senate

  
Clerk of the Senate