



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

APR 24 2025

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

✓ The Honorable Nadine K. Nakamura
Speaker of the House of Representatives
Thirty Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi and Speaker Nakamura:

The Hawai'i Government Employees Association and the employer have reached a tentative agreement concerning collective bargaining for Unit 4 (Supervisory Employees in White Collar Positions). Notice of ratification of the agreement was received on April 24, 2025. In accordance with Section 89-11, HRS, cost items must be submitted to the Legislature for appropriation. The following is a summary of the included and excluded requirements of the settlement for the current fiscal biennium which are being transmitted to the Legislature for appropriation:

	<u>FY 26</u>	<u>FY 27</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$1,436,966	\$3,154,882	\$4,591,848
Special	305,942	670,818	976,760
Federal	111,650	245,249	356,899
Trust	4,523	10,002	14,525
Revolving	21,273	46,907	68,180
Other	<u>2,249</u>	<u>4,973</u>	<u>7,222</u>
Total	\$1,882,603	\$4,132,831	\$6,015,434

In addition, Employer-Union Trust Fund contribution amounts are as follows:

	<u>FY 26</u>	<u>FY 27</u>	<u>Biennium</u>
General	\$393,618	\$845,355	\$1,238,973

Estimated costs for the third and fourth years of the agreement are also provided for your reference:

	<u>FY 28</u>	<u>FY 29</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$5,013,283	\$6,978,841	\$11,992,124
Special	1,064,504	1,481,865	2,546,369
Federal	389,912	542,786	932,698
Trust	16,015	22,295	38,310
Revolving	74,870	104,223	179,093
Other	<u>7,963</u>	<u>11,085</u>	<u>19,048</u>
Total	\$6,566,547	\$9,141,095	\$15,707,642

Attached is a proposed draft House Bill No. 1030, H.D. 1, S.D. 1, C.D. 1, which has been updated to reflect estimated collective bargaining amounts.

Mahalo,



Josh Green, M.D.

Governor, State of Hawai'i

Attachment

- c: The Honorable Donovan M. Dela Cruz
- The Honorable Kyle T. Yamashita

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
8 unit (4):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	\$1,299,798	\$2,853,828
10 Special funds	\$232,582	\$509,390
11 Federal funds	\$111,650	\$245,249
12 Trust funds	\$4,523	\$10,002
13 Revolving funds	\$18,094	\$39,875
14 Other funds	\$2,249	\$4,973

15 Of the above amounts, the following amounts are for the
16 department of education:
17

1 PART III

2 SECTION 5. 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 the salary
6 increases and other cost adjustments authorized by chapter 89C,
7 Hawaii Revised Statutes, for state officers and employees who
8 are excluded from collective bargaining and belong to the same
9 compensation plans as those officers and employees within
10 bargaining unit (4):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
11 General funds	\$18,912	\$41,690
12 Special funds	\$14,953	\$32,482
13 Revolving funds	\$3,179	\$7,032

14 SECTION 6. Funds appropriated or authorized by this part
15 shall be allotted by the director of finance to the appropriate
16 state departments for expenditure in the respective fiscal year
17 for the purposes of this part.

18 PART IV

19 SECTION 7. There are authorized from the source of funding
20 indicated below to Hawaii health systems corporation - corporate
21 office (HTH 210) the following sums or so much thereof as may be
22

1 necessary to fund for fiscal biennium 2025-2027 the collective
2 bargaining cost items in the agreement negotiated with the
3 exclusive representative of collective bargaining unit (4) who
4 is assigned to the Hawaii health systems corporation:

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
6 Special funds	\$52,553	\$116,000

7 SECTION 8. Funds authorized by this part shall be allotted
8 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 V

12 SECTION 9. There are appropriated from the source of
13 funding indicated below to health premium payments (BUF 761) the
14 following sums or so much thereof as may be necessary to fund
15 for fiscal biennium 2025-2027 all collective bargaining cost
16 items in the agreement negotiated with the exclusive
17 representative of collective bargaining unit (4):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
19 General funds	\$386,149	\$828,587

20 SECTION 10. Funds appropriated by this part shall be
21 allotted by the director of finance to the appropriate state

1 departments for expenditure in the respective fiscal year for
2 the purposes of this part.

3 PART VI

4 SECTION 11. There are appropriated from the source of
5 funding indicated below to health premium payments (BUF 761) the
6 following sums or so much thereof as may be necessary to fund
7 for fiscal biennium 2025-2027 the salary increases and other
8 cost adjustments authorized by chapter 89C, Hawaii Revised
9 Statutes, for state officers and employees who are excluded from
10 collective bargaining and belong to the same compensation plans
11 as those officers and employees within bargaining unit (4):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
13 General funds	\$7,469	\$16,768

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

18 PART VII

19 SECTION 13. Salary increases and cost adjustments provided
20 in this Act for any officer or employee whose compensation is
21 paid, in whole or in part, from federal, special, or other funds

1 shall be paid wholly or proportionately, as the case may be,
2 from the respective funds.

3 SECTION 14. Funds appropriated or authorized by this Act
4 that are not expended or encumbered by June 30, 2026, and
5 June 30, 2027, of the respective fiscal years, shall lapse as of
6 those dates.

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

H.B. NO. 1030
H.D. 1
S.D. 1
C.D. 1
PROPOSED

Report Title:

Public Employment Cost Items; BU-4; Appropriations; Expenditure Ceiling

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (4) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2025-2027. Effective 7/1/2025. (CD1)

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