



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 8 (Administrative, Professional, and Technical Employees of the University of Hawai'i). 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	\$6,274,926	\$13,765,491	\$20,040,417
Special	445,325	976,189	1,421,514
Federal	21,797	48,190	69,987
Revolving	<u>107,174</u>	<u>236,908</u>	<u>344,082</u>
Total	\$6,849,222	\$15,026,778	\$21,876,000

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

	<u>FY 26</u>	<u>FY 27</u>	<u>Biennium</u>
General	\$2,347,590	\$4,956,082	\$7,303,672

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	\$21,852,065	\$30,412,327	\$52,264,392
Special	1,548,686	2,155,880	3,704,566
Federal	77,131	107,371	184,502
Revolving	<u>378,642</u>	<u>527,257</u>	<u>905,899</u>
Total	\$23,856,524	\$33,202,835	\$57,059,359

Attached is a proposed draft House Bill No. 1034, 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 (8):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	\$5,870,656	\$12,875,892
10 Special funds	\$434,639	\$952,767
11 Federal funds	\$21,797	\$48,190
12 Revolving funds	\$107,174	\$236,908

14 SECTION 2. 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.

1 PART II

2 SECTION 3. 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 (8):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
12 General funds	\$404,270	\$889,599
13 Special funds	\$10,686	\$23,422

14 SECTION 4. 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 III

19 SECTION 5. There are appropriated from the source of
20 funding indicated below to health premium payments (BUF 761) the
21 following sums or so much thereof as may be necessary to fund
22 for fiscal biennium 2025-2027 all collective bargaining cost

1 items in the agreement negotiated with the exclusive
 2 representative of collective bargaining unit (8):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
4 General funds	\$1,741,477	\$3,681,631

5 SECTION 6. 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 IV

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

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
19 General funds	\$606,113	\$1,274,451

20 SECTION 8. 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 V

4 SECTION 9. Salary increases and cost adjustments provided
5 in this Act for any officer or employee whose compensation is
6 paid, in whole or in part, from federal, special, or other funds
7 shall be paid wholly or proportionately, as the case may be,
8 from the respective funds.

9 SECTION 10. Funds appropriated or authorized by this Act
10 that are not expended or encumbered by June 30, 2026, and
11 June 30, 2027, of the respective fiscal years, shall lapse as of
12 those dates.

13 SECTION 11. This Act shall take effect on July 1, 2025.

H.B. NO. 1034
H.D. 1
S.D. 1
C.D. 1
PROPOSED

Report Title:

Public Employment Cost Items; BU-8; Appropriations; Expenditure Ceiling

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (8) 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.