

S.B. NO. 3063

JAN 24 2024

A BILL FOR AN ACT

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST
ITEMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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PART I

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

Part II

SECTION 2. 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 2023-2025 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining units (2), (3), (4), (9), (13), and (14):

FY 2023-2024 FY 2024-2025

General funds	-0-	-0-
Special funds	-0-	-0-
Federal funds	-0-	-0-
Other funds	-0-	-0-

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

3	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
4 General funds	-0-	-0-
5 Special funds	-0-	-0-
6 Federal funds	-0-	-0-
7 Other funds	-0-	-0-

8 SECTION 3. Funds appropriated by this part shall be
9 allotted by the director of finance to the appropriate state
10 departments for expenditure in the respective fiscal year for
11 the purposes of this part.

12 PART III

13 SECTION 4. There are appropriated from the sources of
14 funding indicated below to administration (JUD 601) the
15 following sums or so much thereof as may be necessary to fund
16 for fiscal biennium 2023-2025 all collective bargaining cost
17 items in the agreement negotiated with the exclusive
18 representative of collective bargaining units (2), (3), (4),
19 (9), and (13):

20	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
21 General funds	-0-	-0-
22 Special funds	-0-	-0-

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1 bargaining units (2), (3), (4), (9), and (13):

2	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
3 General funds	-0-	-0-
4 Special funds	-0-	-0-
5 Federal funds	-0-	-0-
6 Other funds	-0-	-0-

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

10 PART VI

11 SECTION 10. There are appropriated from the source of
12 funding indicated below to Hawaii health systems
13 corporation - corporate office (HTH 210) the following sums or
14 so much thereof as may be necessary to fund for fiscal
15 biennium 2023-2025 the collective bargaining cost items in the
16 agreement negotiated with the exclusive representative of
17 collective bargaining units (2), (3), (4), (9), and (13):

18	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
19 Special funds	-0-	-0-

20 SECTION 11. Funds appropriated by this part shall be
21 allotted by the director of finance to the Hawaii health systems

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

3 PART VII

4 SECTION 12. There are appropriated from the source of
5 funding indicated below to Hawaii health systems
6 corporation - corporate office (HTH 210) the following sums or
7 so much thereof as may be necessary to fund for fiscal
8 biennium 2023-2025 the salary increases and other cost
9 adjustments authorized by chapter 89C, Hawaii Revised Statutes,
10 for state officers and employees who are excluded from
11 collective bargaining, assigned to the Hawaii health systems
12 corporation, and belong to the same compensation plans as those
13 officers and employees within bargaining units (2), (3), (4),
14 (9), and (13):

	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
16 Special funds	-0-	-0-

17 SECTION 13. Funds appropriated by this part shall be
18 allotted by the director of finance to the Hawaii health systems
19 corporation for expenditure in the respective fiscal year for
20 the purposes of this part.

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1 PART VIII

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

7 SECTION 15. Funds appropriated or authorized by this Act
8 that are not expended or encumbered by June 30, 2024, and
9 June 30, 2025, of the respective fiscal years, shall lapse as of
10 those dates.

11 SECTION 16. In accordance with section 9 of article VII of
12 the Constitution of the State of Hawaii and sections 37-91 and
13 37-93, Hawaii Revised Statutes, the legislature has determined
14 that the general fund expenditure ceiling for fiscal year 2023-
15 2024 has already been exceeded by \$1,005,342,735 or 9.4 per
16 cent. The appropriations contained in this Act will cause the
17 state general fund expenditure ceiling for fiscal year 2023-2024
18 to be further exceeded by \$ or per cent. This
19 declaration takes into account the additional general fund
20 appropriations authorized for fiscal year 2023-2024 in this Act
21 only. The reasons for exceeding the general fund expenditure
22 ceiling are that:

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Report Title:

Public Employment Cost Items; BU-2, BU-3, BU-4, BU-9, BU-13, and BU-14; Emergency Appropriations; Expenditure Ceiling

Description:

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.

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 MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To make emergency appropriations for collective bargaining cost items and other public employment costs 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 pursuant to negotiations resolving issues concerning hazard pay.

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, 2023.

Inasmuch as an agreement with the bargaining unit was not reached in time to include all cost items in the 2023-2025 biennium budget, a separate measure is proposed for submittal to the Legislature.

The general fund appropriations included in this measure have been proposed with consideration of the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. The total proposed appropriation from the general fund (which includes appropriations authorized in the Executive Supplemental Budget for fiscal biennium 2023-2025 and this measure,

appropriations for bargaining Hawaii Government Employees Association collective bargaining increases) exceed the appropriation ceiling by \$ _____ or _____ per cent in fiscal year 2023-2024. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2023-2024 in the Executive Supplemental Budget and this measure only and does not include other general fund appropriations for fiscal year 2023-2024 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2024.

In accordance with section 9 of article VII of the Hawaii State Constitution and sections 37-91 and 37-93, Hawaii Revised Statutes, it has been determined that the general fund expenditure ceiling for fiscal year 2023-2024 has already been exceeded by \$1,005,342,735 or 9.4 per cent. The appropriations contained in this bill will cause the state general fund expenditure ceiling for fiscal year 2023-2024 to be further exceeded by \$ _____ or _____ per cent. The reasons for exceeding the general fund expenditure ceiling are that: (1) The appropriations made in this Act are necessary to serve the public interest; and (2) The appropriations made in this Act meet the needs addressed by this Act.

In accordance with section 9 of article VII of the Hawaii State Constitution and section 37-92, Hawaii Revised Statutes, it has been determined that the general fund expenditure ceiling for the Executive Branch for fiscal year 2023-2024 has already been exceeded by \$300,031,197 or 2.7 per cent. The appropriations contained in this Act will cause the general fund expenditure ceiling for the Executive Branch for fiscal year 2023-2024 to be further exceeded by \$ _____ or _____ per cent. This declaration takes

into account the additional general fund appropriations authorized for fiscal year 2023-2024 in this Act only. The reasons for exceeding the general fund expenditure ceiling are that: (1) The appropriations made in this Act are necessary to serve the public interest; and (2) The appropriations made in this Act meet the needs addressed by this Act.

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: Upon approval.