



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare For All"

House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Jenna Takenouchi, Vice Chair

February 19, 2025
Via Videoconference
Conference Room 308
2:00 p.m.
Hawaii State Capitol

Testimony in Strong Support
HB 1028, HD1 Relating to Appropriations for
Public Employment Cost Items.

Provides appropriations for collective bargaining cost items for the members of Unit (2) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2025-2027.

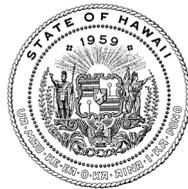
Edward N. Chu
President and Chief Executive Officer
Hawaii Health Systems Corporation

Hawaii Health Systems Corporation ("HHSC") **strongly supports** HB 1028, HD1.

HHSC is bound by the public sector union collective bargaining pay increases that are negotiated by the State of Hawaii and arbitration awards. This is because HHSC only has one vote as a jurisdiction while the State of Hawai'i administration holds the majority of the votes. Given that salaries and benefits expenses comprise approximately 80% of HHSC's total operating expenses, collective bargaining pay raises represent a significant cost burden that HHSC's facilities simply cannot absorb. HHSC continues its focused efforts to grow revenue in the face of staffing shortages and increased operational costs. Additionally, reduced Medicare reimbursements (the primary source of federal funding accounting for about 43% of HHSC's gross revenues) and the end of Coronavirus funding affecting fiscal years 2024-2027 and going forward further contribute to the need for general funds to enable HHSC to provide critical high quality services to the rural communities it serves.

Accordingly, HHSC needs a **general fund appropriation** to pay for the proposed raises.

Thank you for the opportunity to testify on this important measure.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

**TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON**

**HOUSE BILL NOS. 1027, H.D. 1; 1028, H.D. 1; 1029, H.D. 1; 1030, H.D. 1;
1031, H.D. 1; 1032, H.D. 1; 1034, H.D. 1; 1035, H.D. 1; 1036, H.D. 1; 1037, H.D. 1;
1038, H.D. 1; AND 1039, H.D. 1**

**February 19, 2025
2:00 p.m.
Room 308 and Videoconference**

RELATING TO PUBLIC EMPLOYMENT COST ITEMS

The Department of Budget and Finance supports moving these Administration proposals, or similar bills, as collective bargaining (CB) negotiations are currently in progress and vehicle bills may be necessary if an agreement is reached requiring an appropriation prior to the end of the legislative session.

These measures appropriate and authorize appropriations for CB cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2025-27.

The bargaining units (BU) addressed in the bills are as follows: House Bill (H.B.) No. 1027, H.D.1, BU 1; H.B. No. 1028, H.D.1, BU 2; H.B. No. 1029, H.D.1, BU 3; H.B. No. 1030, H.D. 1, BU 4; H.B. No. 1031, H.D. 1, BU 5; H.B. No. 1032, H.D.1, BU 6; H.B. No. 1034, H.D. 1, BU 8; H.B. No. 1035, H.D. 1, BU 9; H.B. No. 1036, H.D. 1, BU 10; H.B. No. 1037, H.D. 1, BU 11; H.B. No. 1038, H.D. 1, BU 13; and H.B. No. 1039, H.D. 1, BU 14.

Thank you for your consideration of our comments.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
February 19, 2025 at 2:00 p.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 1028 HD1 – RELATING TO PUBLIC EMPLOYMENT COST ITEMS

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** HB 1028 HD1, Relating to Public Employment Cost Items. This bill provides appropriations for collective bargaining cost items for the members of Unit 2 and their excluded counterparts for fiscal biennium 2025-2027.

Although an agreement between the employer and the employees has not yet been reached, this bill serves as a vehicle should such an agreement occur.

Thank you for this opportunity to testify.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

February 19, 2025

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the passage of H.B., H.D. 1: 1028, 1029, 1030, 1032, 1034, 1035, 1038, and 1039, which provides appropriations for collective bargaining cost items for the members of Unit (2), (3), (4), (6), (8), (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 2025-2027.

We respectfully request that this measure be passed to cover the cost of any collective bargaining cost item(s).

Thank you for the opportunity to testify in strong support.

Respectfully submitted,

Randy Perreira
Executive Director

HB-1028-HD-1

Submitted on: 2/18/2025 7:00:16 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
TERI SAVAIINAEA	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Yamashita and Committee Members,

I strongly oppose HB1028 HD1.

Kind regards,

Teri Kia Savaiinaea

District 45, Wai'anae resident

HB-1028-HD-1

Submitted on: 2/18/2025 8:23:49 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dayna Matsumura	Individual	Oppose	Written Testimony Only

Comments:

Oppose.

This bill does not take care of the ones who risk their lives to keep us safe and/or save our lives, like fire fighters, police, paramedics, and life guards.

HB-1028-HD-1

Submitted on: 2/18/2025 8:33:59 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Harbottle	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Rachel Harbottle and I oppose HB1028HD1.

I do not agree with the proposed salary increases for the state officers and employees.

This is a poor example of how tax money is being allocated; to give those already making 6 figures even more money, while those who are deserving of equally substantial salary increases receive nothing.

Hewa!

HB-1028-HD-1

Submitted on: 2/18/2025 8:38:46 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Antone Joseph	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Antone Joseph and I oppose HB1028HD1.

I do not agree with the proposed salary increases for the state officers and employees.

This is a poor example of how tax money is being allocated; to give those already making 6 figures even more money, while those who are deserving of equally substantial salary increases receive nothing. This shows nothing more than the political injustice being brought upon by our state officials. As " public servants " state officials should not be making more money than someone who teaches the youth and potential state officials . Do better !

Hewa!

HB-1028-HD-1

Submitted on: 2/18/2025 9:05:11 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jara Leanio	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Jara Leanio and I oppose HB1028HD1.

I do not agree with the proposed salary increases for the state officers and employees.

This is a poor example of how tax money is being allocated; to give those already making 6 figures even more money, while those who are deserving of equally substantial salary increases receive nothing.

Hewa!

HB-1028-HD-1

Submitted on: 2/18/2025 9:06:26 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sarah Tiritas	Individual	Oppose	Written Testimony Only

Comments:

how about your pay raises are determined by the health and prosperity of your state.

Balanced budget, thriving constituents, no housing and homeless crisis, transportation leader and not in worst traffic, low crime rates, no infrastructure issues, and let's make sure our students are high performers.

Then let's talk raise.

In the private sector, it's normal for a high performers to get a 3% raise. I have never heard of anyone getting a 10+ percent raise.

There seems to be no real ROI (return on investment) with our politicians and local government. If they were supposed to be elected on a merit based system, majority of them wouldn't make the cut. The people of Hawaii are not getting fair representation from them considering how much we're taxed.

And they feel they deserve these raises? It's a no from me.

HB-1028-HD-1

Submitted on: 2/18/2025 9:29:53 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Curt Oishi	Individual	Oppose	Written Testimony Only

Comments:

To whom it may concern,

I am opposed to HB1028. It is a slap in the face to the taxpayers of Hawaii to increase the Governors pay by 60%, making him the highest paid Governor in the United States. It is inappropriate when we our citizens are struggling to make ends meet. The pay of these officials should not be more than what is offered to all state workers. Shame on you.

Mahalo,

Curt Oishi

HB-1028-HD-1

Submitted on: 2/19/2025 3:26:06 AM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Blaine De Ramos	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB1028.

1) There is a bigger picture that is not being fully told. Hawaii legislature representatives have access to a pool of over 500 legislative staff (Hawaii has one of the most in the nation) with an annual salary of between \$50-\$100 thousand dollars (that is also paid by our tax dollars) to assist them in their work.

2) The last few years there have been more and more Hawaii residents moving to the mainland for a better cost of living. What have these elected officials done to stop that from happening? Nothing. The salary commission is recommending the pay raises to be competitive with the mainland. If these elected officials that work for me and the people cannot live off \$100 thousand dollar salary then they have the same choice whether to continue living in Hawaii or relocate like the many people that were forced to leave Hawaii. I highly suggest these elected officials salary be revisited and reconsidered. They should not be higher than the average median salary of the hard working people they work for so they can experience the same struggles.

3) I have never heard of, nor know anyone that has had a 16% pay raise every year for 4 years. I am tired of the wasteful spending. Again I strongly oppose HB1028.

Aloha

HB-1028-HD-1

Submitted on: 2/19/2025 7:22:00 AM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexandra Love	Individual	Oppose	Written Testimony Only

Comments:

Because the government does not produce anything, any funds generated must be taken by force from the people. When you all decide you want pay raises, that means it comes out of your constituents' pockets. Your pay increase amounts to a pay decrease for everyone else. You may think you work hard and deserve it, but we the people disagree. Until everyone in Hawaii is living more comfortably, our so-called public servants should not be living more comfortably. Make life better for us and then I'm sure we will all agree you deserve a raise for it. Until then, you should be living no higher on the hog than you already are.

HB-1028-HD-1

Submitted on: 2/19/2025 8:49:12 AM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Bosman	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I, like many others of the state of Hawaii, oppose HB1028.

Politicians and government should not be getting pay raise when the majority of hardworking people in Hawaii can barely get by. If there was a better outlook on life here (largely decided upon by these people propping themselves up in leadership positions) than maybe it would be just to ask for a raise but to be the highest paid in a position with this raise already says enough. Getting paid more would have to mean big change and that would be to actually focus on the good of the people not self interest.

HB-1028-HD-1

Submitted on: 2/19/2025 9:42:01 AM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erin Austin	Individual	Oppose	Written Testimony Only

Comments:

why should people who are suppose to be our voices get a raise when they dont act as our voice. people in Hawaii are struggling meanwhile you guys sit there stripping awy our rights and are trying to get more money for it. on top of it so many of you are bathed in outside money and get so many kickbacks. help those who are struggling. do better for hawaii and not yourselves. public servants should be exactly that, a servant, and unpaid job, maybe then we might get some honest people in there. you are only making it more competetitive for those who alrely proved they can be bought. disgusting

HB-1028-HD-1

Submitted on: 2/19/2025 11:25:08 AM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yvonne Alvarado	Individual	Oppose	Written Testimony Only

Comments:

I Yvonne Alvarado is in Strong Opposition to Bill HB 1028 HD1

HB-1028-HD-1

Submitted on: 2/19/2025 12:18:23 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Isaac Kaaihue	Individual	Comments	Written Testimony Only

Comments:

We need to focus on increasing the salaries of the hard working people of Hawaii instead making top government officials richer. It is already a struggle to survive. The people should come first.

HB-1028-HD-1

Submitted on: 2/19/2025 12:31:06 PM

Testimony for FIN on 2/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jim	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill!!!

govt officials and any politician does not deserve and has not earned the right to give themselves a raise!!!! The people should vote on this! You are a govt NOT FOR the people! Embarrassing!!!

want better safety? pay policemen and firemen more.

want better education? Pay teachers more

want better health care? Pay nurses more

clean up the streets from drugs and homelessness.
repair roads more frequently. Lower taxes.

Less regulations on the people and more regulations on the govt!

this is shameful for you to propose a bill that will increase your salaries without thinking about the rest of the state and all its people who are suffering in this economy and high cost of living. You are the problem and you are not creating a solution that benefits ALL.

i hope DOGE and Elon Musk and Trump come auditing all of hawaii's govt spending and use of money especially for these ridiculous proposed raises.

mahalo.

i yield back.