TESTIMONY BY KALBERT K. YOUNG DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEES ON JUDICIARY AND LABOR AND WAYS AND MEANS ON HOUSE BILL NOS. 1163, PROPOSED S.D. 1 and 1166, PROPOSED S.D. 1

March 27, 2013

MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

These measures are vehicle bills to appropriate and authorize funds for collective bargaining cost items for salary adjustments, other cost adjustments, or Employer-Union Health Benefit Trust Fund costs for public employees for Fiscal Biennium 2013-15 for Bargaining Unit 10.

The Department of Budget and Finance (B&F) supports moving these measures as negotiations are currently in progress and vehicle bills will be necessary should an agreement be reached or arbitration award issued prior to the end of the legislative session.

House Bill Nos. 1166, Proposed S.D. 1, and 1163, Proposed S.D. 1, are for salary adjustments and Employer-Union Trust Fund employer contributions, respectively. While both cost items could be handled in one measure, B&F recommends keeping both bills alive in case it becomes desirable to separate these matters. The Senate draft proposals are supported because no other bills are currently active for this bargaining unit.



THE HAWAII STATE SENATE The Twenty-Seventh Legislature Regular Session of 2013

<u>COMMITTEE ON JUDICIARY AND LABOR</u> The Honorable Sen. Clayton Hee, Chair The Honorable Sen. Maile Shimabukuro, Vice Chair

<u>COMMITTEE ON WAYS & MEANS</u> The Honorable Sen. David Ige, Chair The Honorable Sen. Michelle Kidani, Vice Chair

DATE OF HEARING: Wednesday, March 27, 2013 TIME OF HEARING: 10:30 a.m. PLACE OF HEARING: Conference Room 211

TESTIMONY ON HB1163 MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

By DAYTON M. NAKANELUA, State Director of the United Public Workers, AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

The UPW supports the proposed draft of HB1163 that provides fund appropriations and authorizations for Unit (10) collective bargaining cost items and their excluded counterparts for fiscal biennium 2013-2015, including Hawaii employer-union health benefits trust fund costs negotiated between the State and the collective bargaining unit representative.

Thank you for the opportunity to testify on this measure.