### TESTIMONY BY KALBERT K. YOUNG DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT ON HOUSE BILL NO. 1955

February 4, 2014

#### MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

This measure is a vehicle bill to appropriate and authorize funds for collective bargaining cost items for: a) salary adjustments and other cost adjustments for public employees belonging to Bargaining Unit 14 (State law enforcement, ocean safety, and water safety officers) and their excluded counterparts; and b) Hawaii Employer-Union Health Benefit Trust (EUTF) costs for public employees belonging to Bargaining Unit 3 (Non-supervisory white collar) and their excluded counterparts for Fiscal Biennium 2013-15.

The Department of Budget and Finance notes that the new Bargaining Unit 14 has not yet been formed. Unit 14 employees, as contemplated under this bill, are currently covered by contracts for Bargaining Units 3 and 4 and their excluded counterparts. These contracts are with the Hawaii Government Employees Association and the current contract expires on June 30, 2015.

We do not expect that Unit 14 could be formed and a contract negotiated in time before the conclusion of this legislative session. Further, we believe that the terms of the current contracts for Bargaining Units 3 and 4 are fair and reasonable.

We recommend changing Part II of the bill to also reflect Bargaining Unit 14 instead of Bargaining Unit 3 if you choose to move this bill forward. Also, considering the timing of this bill, the likelihood a Unit 14 would be created before the conclusion of the legislative session, and the existence of a current contract, any appropriation of funds for FY 2015 is pre-mature.



# House Committee on Labor and Public Employment Representative Mark M. Nakashima, Chair Representative Kyle T. Yamashita, Vice Chair

Tuesday, February 4, 2014 Conference Room 309 9:00 a.m. Hawaii State Capitol

# Testimony Supporting House Bill 1955. Making Appropriations for Collective Bargaining Cost Items. Provides fund authorizations and appropriations for collective bargaining cost items for collective bargaining unit (3) and (14) and their excluded counterparts.

Alice M. Hall Acting President and Chief Executive Officer Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony in support of HB 1955.

HHSC strongly supports this bill that will appropriate funding to provide our over 730 nonsupervisory employees in white collar positions with their negotiated or arbitrated wages. HHSC requests that the Legislature pass this measure.

We appreciate the Committee's focus on improving healthcare for our island communities. Thank you for the opportunity to testify before this committee.

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HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO



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### The Twenty-Seventh Legislature, State of Hawaii House of Representatives Committee on Labor and Public Employment

Testimony by Hawaii Government Employees Association February 4, 2014

# H.B. 1956, H.B. 2220, H.B. 1955 – MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports H.B. 1956, H.B. 2220, and H.B. 1955, each of which provide a vehicle to implement pending collective bargaining agreements for fiscal biennium 2013 – 15 for bargaining units 6, 9 and 14, respectively. We respectfully request a technical amendment to H.B. 1955 – references to Bargaining Unit 3 should be changed to Unit 14, as the language in H.B. 1955 is exclusive to Unit 14.

Thank you for the opportunity to testify in support of the above legislation with the technical amendment to H.B. 1955.

Respectfully submitted,

Randy Perreira Executive Director