

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
ON
SENATE BILL NO. 2816, S.D. 1

March 11, 2014

MAKING AN APPROPRIATION TO SUPPORT UNIVERSITY OF HAWAII
COLLECTIVE BARGAINING COSTS

This measure provides a general fund appropriation to support employment costs for Collective Bargaining Unit (7) and its excluded counterparts.

The Department of Budget and Finance supports this measure. Funding for collective bargaining costs for Collective Bargaining Unit (7) and its excluded counterparts was previously provided by University of Hawaii special funds. This measure provides a general fund appropriation to support employment costs for those employees instead.

Originally, the Administration's approach was to include the collective bargaining support funding in the Executive Supplemental Budget; however, recent discussions with legislative leadership have indicated that their preference is to have the funding in a specific appropriation measure. Their rationale is that the usual process that the Legislature uses to authorize funding for collective bargaining costs is through specific appropriations.

Because of this change in approach to the funding vehicle, please be advised that the Legislature should account for budgeted funding versus funding via this bill as a separate appropriation. In the alternative, the Administration may be submitting a Governor's Budget Message in the near future to reduce the funding support that is currently included in the Executive Supplemental Budget if that would be preferable to aid in the efficiency of the legislative process.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Submitted to the
House Committee on Labor & Public Employment
March 11, 2014 at 9:30 am
by
David Lassner
Interim President
University of Hawai'i

SB 2816 SD1 – MAKING AN APPROPRIATION TO SUPPORT UNIVERSITY OF HAWAII COLLECTIVE BARGAINING COSTS

Chair Nakashima, Vice Chair Yamashita and members of the committee:

The University of Hawai'i strongly supports Senate Bill 2816 SD1 making an appropriation to support University of Hawai'i collective bargaining agreement costs for Unit 7 faculty members and their excluded counterparts.

This is a high priority item that is included in the University's Board of Regents FY15 Supplemental Budget Request and is fully supported by the Governor in the FY15 Executive Supplemental Budget Request. We also want to acknowledge the support of the leadership of the University of Hawai'i Professional Assembly (UHPA) and the Hawai'i Government Employees Union (HGEA).

These funds represent the restoration of general funds for faculty salaries that were reduced during the recession, as well as for the modest 3 percent salary increases that were negotiated for each year of this current fiscal biennium. This funding request is fully consistent with the appropriations made for all other public employee collective bargaining unit settlements.

The funding requested in this bill is an important cornerstone for supporting the financial sustainability of the University of Hawai'i System and for enabling us to provide the 21st-century facilities for learning our students need and deserve. We consider this item to be our highest funding priority within our FY15 supplemental operating budget request.

We respectfully ask for legislative support for the restoration of faculty salaries to their base levels, as was done for all other collective bargaining units, and for these modest negotiated collective bargaining increases that are consistent with all other collective bargaining settlements for this biennium.

Finally, we want to acknowledge the support of Chair Luke and the House Finance Committee in approving our request for UHPA funding in House Bill 1700 HD1 at their recent decision making meeting on March 5. We defer to Chair Luke and Senate Ways and Means Chair Ige to ensure the reconciliation of this item as reflected in this measure and in HB 1700 HD1 as the budget is further considered by their committees.

Thank you for the opportunity to submit our comments in strong support of Senate Bill 2816 SD1.



House Committee on Labor & Public Employment
Tuesday, March 11, 2014
9:30 a.m.

S.B. 2816, S.D. 1, Making an Appropriation to Support University of Hawaii Collective Bargaining Costs.

Dear Chairman Nakashima and Committee Members:

UHPA supported S.B. 2816, S.D.1 during its passage in the Senate, and we continue to support the bill which would provide the University of Hawaii with an appropriation of \$33.5 million to cover the collective bargaining costs that resulted from the 2009-2015 Agreement between the University of Hawaii Professional Assembly and the Board of Regents of the University of Hawaii over the period of the current Biennium State Budget. We also supported H.B. 2288, H.D. 1, which was identical to S.B. 2816, S.D. 1, that passed this Labor Committee when it was first presented.

The Governor's Executive Budget includes the amount of this appropriation, \$33.5 million. Should that Executive Budget, including the full amount recommended by the Governor, be approved by the Legislature this session, a separate appropriation would not be necessary. However, approval of S.B. 2816, S.D. 1 should go forward at this time, pending reconciliation between the two Chambers over the final State Supplemental Budget.

UHPA appreciates the continuing support of the House Committee on Labor for the passage of this appropriation, and the support that it will provide both the students and faculty of the UH System.

Respectfully submitted,

J. N. Musto, Ph.D.
Executive Director and Chief Negotiator

UNIVERSITY OF HAWAII
PROFESSIONAL ASSEMBLY



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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

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

Testimony by
Hawaii Government Employees Association
March 11, 2014

**S.B. 2816, S.D. 1 – MAKING AN APPROPRIATION TO SUPPORT
UNIVERSITY OF HAWAII COLLECTIVE BARGAINING COSTS**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of S.B. 2816, S.D. 1, which provides a general fund appropriation to support the employment costs for collective bargaining unit 7 and its excluded counterparts. Expedient passage of this measure will ensure that the mutually agreed upon collective bargaining contracts will be funded.

Thank you for the opportunity to testify in support of S.B. 2816, S.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director