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

> TESTIMONY BY WESLEY K. MACHIDA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE SENATE COMMITTEE ON WAYS AND MEANS ON SENATE BILL NO. 2836, S.D. 1

> > February 17, 2016 9:15 a.m.

## MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

This measure is a vehicle bill to appropriate and authorize funding for collective bargaining cost items for salary adjustments and other cost adjustments for public employees represented by the Hawaii Government Employees Association belonging to Bargaining Unit 14 and their excluded counterparts for Fiscal Biennium 2015-17.

The Department of Budget and Finance supports this Administration proposal, or a similar one, to fund the arbitration award, which is expected before the end of February 2016. We would also comment that Act 55, SLH 2015, which provides collective bargaining funding for Bargaining Units 3 and 4 also provided funding for the employees of this new bargaining unit. This bill is for any additional requirements set by the arbitration award beyond the Bargaining Units 3 and 4 levels. We would also note that the current draft of this bill specifies that excluded employees funded by this measure belong to the same compensation plans as Bargaining Unit 14. Some managerial employees expected to be funded by this measure, who supervise Bargaining Unit 14 employees, are technically not on the same compensation plan.

No. 1 Capitol District Building, 250 S. Hotel Street, Honolulu, Hawaii 96813



### <u>WRITTEN ONLY</u>

HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO



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## The Twenty-Eighth Legislature, State of Hawaii The Senate Committee on Ways and Means

Testimony by Hawaii Government Employees Association

February 17, 2016

# S.B. 2836, S.D. 1 – MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

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The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports S.B. 2836, S.D. 1 which provides a vehicle to implement a pending collective bargaining agreement for Bargaining Unit 14 for fiscal biennium 2015 – 2017. We anticipate the arbitration panel's decision in late February.

Thank you for the opportunity to testify in support of S.B. 2836, S.D. 1.

Respectfully submitted,

**Randy Perreira** Executive Director