



GOV. MSG. NO. 13

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 27, 2017

✓The Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki
Speaker of the House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear Senate President Kouchi and Speaker Souki:

The United Public Workers and the public employers have reached a tentative agreement and intend to execute a supplemental agreement concerning Collective Bargaining Units 1 (Blue Collar Employees) and 10 (Institutional Workers) Employer-Union Trust Fund contributions. In accordance with Section 89-10(b), cost items must be submitted to the Legislature for appropriation. The following summary of the included and excluded requirements of the settlement for the current fiscal biennium are being transmitted to the Legislature for authorization:

	<u>FY 18</u>	<u>FY 19</u>	<u>Biennium</u>
General	\$3,297,032	\$7,518,073	\$10,815,105

Attached to the legislative transmittal is a proposed conference draft bill to fund the award.

Sincerely,

DAVID Y. IGE
Governor, State of Hawaii

Attachment

c: Honorable Jill N. Tokuda
Honorable Sylvia Luke

A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

SECTION 1. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums, or so much thereof as may be necessary, to fund for fiscal biennium 2017-2019, the Hawaii employer union health benefit trust fund costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$3,280,477	\$7,481,732

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums, or so much thereof as may be necessary, to fund for fiscal biennium 2017-2019, the Hawaii employer union health benefit trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$16,555	\$36,341

SECTION 4. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

S.B. NO. S.D. 1
H.D. 1
Proposed C.D. 1

1 SECTION 6. Funds appropriated by this Act that are not
2 expended or encumbered by June 30, 2018, and June 30, 2019, of
3 the respective fiscal years, shall lapse as of those dates.

4 SECTION 7. This Act, upon its approval, shall take effect
5 on July 1, 2017.

S.B. NO. S.D. 1
H.D. 1
Proposed C.D. 1

Report Title:

Public Employment Cost Items

Description:

To provide appropriations for collective bargaining cost items and other public employment costs for Units (1) and (10) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2017-2019.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.