# H.B. NO. 945

#### A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

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

| 1  | 1 PART                                | I                             |
|----|---------------------------------------|-------------------------------|
| 2  | 2 SECTION 1. There are appropria      | ated from the sources of      |
| 3  | 3 funding indicated below to collect  | ve bargaining statewide       |
| 4  | 4 (BUF 102) the following sums, or so | much thereof as may be        |
| 5  | 5 necessary, to fund for fiscal bienr | nium 2019-2021 all collective |
| 6  | 6 bargaining cost items in the agreem | ent negotiated with the       |
| 7  | 7 exclusive representative of collect | ive bargaining unit (1):      |
| 8  | 8 FY 2019-20                          | <u>FY 2020-2021</u>           |
| 9  | 9 General Funds -0-                   | - 0 -                         |
| 10 | 10 Special Funds -0-                  | - 0 -                         |
| 11 | 11 Federal Funds -0-                  | - 0 -                         |
| 12 | 12 Other Funds -0-                    | - 0 -                         |
| 13 | 13 Of the above amounts, the foll     | owing amounts are for the     |
| 14 | 14 department of education:           |                               |
| 15 | 15 <u>FY 2019-20</u>                  | 920 FY 2020-2021              |
| 16 | 16 General Funds -0-                  | - 0 -                         |

## <u>H</u>.B. NO. 965

| 1  | Special Funds   | - 0 -               | - 0 -                   |
|----|---|---------------------|-------------------------|
| 2  | Federal Funds   | - 0 -               | - 0 -                   |
| 3  | Other Funds   | - 0 -               | - 0 -                   |
| 4  | SECTION 2. Funds a  | appropriated by the | his part shall be       |
| 5  | allotted by the director  | of finance to the   | he appropriate state    |
| 6  | departments for expendit  | ure in the respe    | ctive fiscal year for   |
| 7  | the purposes of this par  | rt.                 |                         |
| 8  |   | PART II             |                         |
| 9  | SECTION 3. There a  | are appropriated :  | from the sources of     |
| 10 | funding indicated below   | to administration   | n (JUD 601) the         |
| 11 | following sums, or so much thereof as may be necessary, to fund |                     |                         |
| 12 | for fiscal biennium 2019-2021 all collective bargaining cost    |                     |                         |
| 13 | items in the agreement negotiated with the exclusive            |                     |                         |
| 14 | representative of collective bargaining unit (1):               |                     | unit (1):               |
| 15 |   | FY 2019-2020        | FY 2020-2021            |
| 16 | General Funds   | - 0 -               | - 0 -                   |
| 17 | Special Funds   | - 0 -               | - 0 -                   |
| 18 | Federal Funds   | - 0 -               | - 0 -                   |
| 19 | Other Funds   | - 0 -               | - 0 -                   |
| 20 | SECTION 4. Funds a  | ppropriated by th   | nis part shall be       |
| 21 | expended by the chief ju  | stice in the resp   | pective fiscal year for |
| 22 | the purposes of this par  | t.                  |                         |

.

## <u>H</u>.B. NO. 965

| 1  | 1 PART III  |                   |
|----|---|-------------------|
| 2  | 2 SECTION 5. There are appropriated from t              | he sources of     |
| 3  | 3 funding indicated below to collective bargaini        | ng statewide      |
| 4  | 4 (BUF 102) the following sums, or so much there        | of as may be      |
| 5  | 5 necessary, to fund for fiscal biennium 2019-20        | 21, the salary    |
| 6  | 6 increases and other cost adjustments authorize        | d by chapter 89C, |
| 7  | 7 Hawaii Revised Statutes, for state officers an        | d employees who   |
| 8  | 8 are excluded from collective bargaining and be        | long to the same  |
| 9  | 9 compensation plans as those officers and emplo        | yees within       |
| 10 | 10 bargaining unit (1):                                 |                   |
| 11 | 11 <u>FY 2019-2020</u> <u>F</u>                         | Y 2020-2021       |
| 12 | 12 General Funds -0-                                    | - 0 -             |
| 13 | 13 Special Funds -0-                                    | - 0 -             |
| 14 | 14 Federal Funds -0-                                    | - 0 -             |
| 15 | 15 Other Funds -0-                                      | - 0 -             |
| 16 | Of the above amounts, the following amounts are for the |                   |
| 17 | department of education:                                |                   |
| 18 | 18 <u>FY 2019-2020</u> <u>F</u>                         | Y 2020-2021       |
| 19 | 19 General Funds -0-                                    | - 0 -             |
| 20 | 20 Special Funds -0-                                    | - 0 -             |
| 21 | 21 Federal Funds -0-                                    | - 0 -             |
| 22 | 22 Other Funds -0-                                      | - 0 -             |

## <u>**H**</u>.B. NO. <u>965</u>

| 1  | SECTION 6. Funds appr   | copriated by this | s part shall be      |
|----|---|-------------------|----------------------|
| 2  | allotted by the director of                                     | finance to the    | appropriate state    |
| 3  | departments for expenditure                                     | e in the respecti | ve fiscal year for   |
| 4  | the purposes of this part.                                      |                   |                      |
| 5  |   | PART IV           |                      |
| 6  | SECTION 7. There are  | appropriated fro  | om the sources of    |
| 7  | funding indicated below to administration (JUD 601) the         |                   |                      |
| 8  | following sums, or so much thereof as may be necessary, to fund |                   |                      |
| 9  | for fiscal biennium 2019-2021, the salary increases and other   |                   |                      |
| 10 | cost adjustments authorized by chapter 89C, Hawaii Revised      |                   |                      |
| 11 | Statutes, by the chief justice for state officers and employees |                   |                      |
| 12 | who are excluded from collective bargaining and belong to the   |                   |                      |
| 13 | same compensation plans as those officers and employees within  |                   |                      |
| 14 | bargaining unit (1):  |                   |                      |
| 15 | FY  | 2019-2020         | FY 2020-2021         |
| 16 | General Funds   | - 0 -             | - 0 -                |
| 17 | Special Funds   | - 0 -             | - 0 -                |
| 18 | Federal Funds   | - 0 -             | - 0 -                |
| 19 | Other Funds   | - 0 -             | - 0 -                |
| 20 | SECTION 8. Funds appropriated by this part shall be             |                   |                      |
| 21 | expended by the chief justi                                     | ce in the respec  | tive fiscal year for |
| 22 | the purposes of this part.                                      |                   |                      |

## H.B. NO. 965

| 1  | PART V   |  |  |
|----|--|--|--|
| 2  | SECTION 9. There is appropriated from the source of              |  |  |
| 3  | funding indicated below to Hawaii health systems                 |  |  |
| 4  | corporation - corporate office (HTH 210) the following sums, or  |  |  |
| 5  | so much thereof as may be necessary, to fund for fiscal          |  |  |
| 6  | biennium 2019-2021, the collective bargaining cost items in the  |  |  |
| 7  | agreement negotiated with the exclusive representative of        |  |  |
| 8  | collective bargaining unit (1) who are assigned to the Hawaii    |  |  |
| 9  | health systems corporation:                                      |  |  |
| 10 | FY 2019-2020 FY 2020-2021  |  |  |
| 11 | Special Funds -00-   |  |  |
| 12 | SECTION 10. Funds appropriated by this part shall be             |  |  |
| 13 | allotted by the director of finance to the Hawaii health systems |  |  |
| 14 | corporation for expenditure in the respective fiscal year for    |  |  |
| 15 | the purposes of this part.                                       |  |  |
| 16 | PART VI  |  |  |
| 17 | SECTION 11. There is appropriated from the source of             |  |  |
| 18 | funding indicated below to Hawaii health systems                 |  |  |
| 19 | corporation - corporate office (HTH 210) the following sums, or  |  |  |
| 20 | so much thereof as may be necessary, to fund for fiscal          |  |  |
| 21 | biennium 2019-2021, the salary increases and other adjustments   |  |  |
| 22 | authorized by chapter 89C, Hawaii Revised Statutes, for state    |  |  |

. Page 6

### H.B. NO. 965

officers and employees who are excluded from collective
bargaining assigned to the Hawaii health systems corporation,
and belong to the same compensation plans as those officers and
employees within bargaining unit (1):

 5
 FY 2019-2020
 FY 2020-2021

 6
 Special Funds
 -0 -0

7 SECTION 12. Funds appropriated by this part shall be 8 allotted by the director of finance to the Hawaii health systems 9 corporation for expenditure in the respective fiscal year for 10 the purposes of this part.

11

#### PART VII

SECTION 13. 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.

SECTION 14. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

### <u>H</u>.B. NO. 965

|   |                  |                    | JAN 2 2 2019         |        |
|---|------------------|--------------------|----------------------|--------|
| 5 |                  |                    | BY REQUEST           |        |
| 4 |                  | INTRODUCED BY:     | san                  |        |
| 3 |                  |                    |                      |        |
| 2 | on July 1, 2019. |                    |                      |        |
| 1 | SECTION 15.      | This Act, upon its | approval, shall take | effect |

#### <u>H</u>.B. NO. <u>965</u>

Report Title: Public Employment Cost Items

#### Description:

Provides appropriations for collective bargaining cost items for the members of Unit (1) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2019-2021.

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

#### HBN0 965

#### JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

e

TITLE: A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To provide appropriations for collective bargaining cost items and other public employment costs for the members of Unit (1) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2019-2021.

MEANS: By the submittal of a specific appropriation measure.

JUSTIFICATION: Appropriations by the Legislature are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the respective bargaining unit representing state public officers and employees for the fiscal biennium commencing July 1, 2019.

> Inasmuch as an agreement with the bargaining unit was not reached in time to include all cost items in the 2019-2021 biennium budget, a separate measure is proposed for submittal to the Legislature.

> <u>Impact on the public:</u> "(I)t is the public policy of the State to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are best effectuated by (1) recognizing the right of public employees to organize for the purpose of collective bargaining, (2) requiring the public employers to negotiate with and enter into written agreements with exclusive representatives on matters of wages, hours, and other conditions of employment, while,

| HB | No | 965 |
|----|----|-----|
|----|----|-----|

| Page 2                       |   |
|------------------------------|---|
|                              | at the same time, (3) maintaining merit<br>principles and the principle of equal pay<br>for equal work among state and county<br>employees" (Section 89-1, Hawaii<br>Revised Statutes). |
|                              | Impact on the department and other agencies:<br>Pay raise and other negotiated cost items<br>are not included in the departments'<br>operating budget request.                          |
| GENERAL FUND:                | To be determined.   |
| OTHER FUNDS:                 | To be determined.   |
| PPBS PROGRAM<br>DESIGNATION: | BUF 102, Collective Bargaining Statewide.<br>JUD 601, Administration.<br>HTH 210, Hawaii Health Systems<br>Corporation - Corporate Office.  |
| OTHER AFFECTED<br>AGENCIES:  | None.   |
| EFFECTIVE DATE:              | July 1, 2019.   |

-