



EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE  
GOVERNOR

April 22, 2021

**GOV. MSG. NO 7**

The Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

✓ The Honorable Scott K. Saiki  
Speaker of the House of Representatives  
Thirty-First State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear Senate President Kouchi and Speaker Saiki:

The United Public Workers and the employer have reached agreements concerning collective bargaining (CB) for Units 1 and 10. Notification of ratification of the CB agreements was issued on April 22, 2021. The only cost items are for 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 22</u>	<u>FY 23</u>	<u>Biennium</u>
General	\$1,510,354	\$5,941,558	\$7,451,912

Attached is a proposed conference draft bill for House Bill No. 325 to fund the award.

With warmest regards,

David Y. Ige  
Governor, State of Hawai'i

Attachment

c: Honorable Donovan M. Dela Cruz  
Honorable Sylvia Luke

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**A BILL FOR AN ACT**

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

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

1 PART I

2 SECTION 1. There is appropriated from the source of  
3 funding indicated below to health premium payments (BUF 761) the  
4 following sums or so much thereof as may be necessary to fund  
5 for fiscal biennium 2021-2023 the Hawaii employer-union health  
6 benefits trust fund costs in the agreement negotiated with the  
7 exclusive bargaining representative of collective bargaining  
8 units (1) and (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
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10	\$1,504,312	\$5,917,610

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

15 PART II

16 SECTION 3. There is appropriated from the source of  
17 funding indicated below to health premium payments (BUF 761) the

1 following sums or so much thereof as may be necessary to fund  
2 for fiscal biennium 2021-2023 the Hawaii employer-union health  
3 benefits trust fund costs authorized by chapter 89C, Hawaii  
4 Revised Statutes, for state officers and employees who are  
5 excluded from collective bargaining units (1) and (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
7 General funds	\$6,042	\$23,948

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

12 PART III

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

18 SECTION 6. Funds appropriated or authorized by this Act  
19 that are not expended or encumbered by June 30, 2022, and  
20 June 30, 2023, of the respective fiscal years, shall lapse as of  
21 those dates.

**1** SECTION 7. This Act, upon its approval, shall take effect  
**2** on July 1, 2021.

**Report Title:**

Relating to 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 2021-2023.

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