



EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

April 22, 2021

GOV. MSG. NO. 9

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 Hawai'i Government Employees Association (HGEA) and the employer have reached an agreement concerning collective bargaining (CB) for Units 2, 3, 8, and 13. Notification of ratification of the CB agreement was issued on April 22, 2021. The only cost items are for Employer-Union Trust Fund (EUTF) contributions. In accordance with Section 89-10(b), cost items must be submitted to the Legislature for appropriation. In addition, executive orders are being drafted to extend the same terms to not only the excluded counterparts for Units 2, 3, 8, and 13, but also for the excluded counterparts of Units 4, 5, 6, 9, 11, and 14.

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:

HGEA Plus Other Excluded EUTF CB Costs (General Fund)			
HGEA EUTF CB Costs	FY 22	FY 23	Biennium
Included Units 2, 3, 8, and 13	\$3,617,949	\$14,269,023	\$17,886,972
Excluded Units 2, 3, 8, and 13	748,786	2,850,168	3,598,954
Excluded Units 4, 5, 6, 9, 11, and 14	47,392	185,770	233,162
Total	\$4,414,127	\$17,304,961	\$21,719,088

The Honorable Ronald D. Kouchi
The Honorable Scott K. Saiki
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Attached is a proposed conference draft bill for House Bill No. 712 to fund the agreement.

With warmest regards,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping "D" and a stylized "Y".

David Y. Ige
Governor, State of Hawai'i

Attachment

c: Honorable Donovan M. Dela Cruz
Honorable Sylvia Luke

HOUSE OF REPRESENTATIVES
THIRTY-FIRST LEGISLATURE, 2021
STATE OF HAWAII

H.B. NO. 712
H.D. 1
S.D. 1
C.D. 1
PROPOSED

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 is 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 2021-2023 the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (2), (3), (8), and (13):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$3,617,949	\$14,269,023

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 is appropriated from the source of 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 (2), (3), (8), and
 6 (13):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
8 General funds	\$748,786	\$2,850,168

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

13 PART III

14 SECTION 5. There is appropriated from the source of
 15 funding indicated below to health premium payments (BUF 761) the
 16 following sums or so much thereof as may be necessary to fund
 17 for fiscal biennium 2021-2023 the Hawaii employer-union health
 18 benefits trust fund costs authorized by executive orders for
 19 state officers and employees who are excluded from collective
 20 bargaining units (4), (5), (6), (9), (11), and (14):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
22 General funds	\$47,392	\$185,770

SECTION 6. 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.

5 PART IV

6 SECTION 7. Salary increases and cost adjustments provided
7 in this Act for any officer or employee whose compensation is
8 paid, in whole or in part, from federal, special, or other funds
9 shall be paid wholly or proportionately, as the case may be,
10 from the respective funds.

SECTION 8. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2022, and June 30, 2023, of the respective fiscal years, shall lapse as of those dates.

15 SECTION 9. This Act, upon its approval, shall take effect
16 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 (2), (3), (8), and (13) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2021-2023. To also provide for similar adjustments for the excluded counterparts of bargaining units (4), (5), (6), (9), (11), and (14).

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