



GOV. MSG. NO. 23

EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

April 22, 2022

✓ 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 Unit 2 (Blue Collar Supervisors). Notification of ratification of the CB agreement was issued on April 19, 2022. 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 is being transmitted to the Legislature for authorization:

	<u>FY 22</u>	<u>FY 23</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$269,687	\$1,007,961	\$1,277,648
Special	90,627	369,515	460,142
Federal	5,339	21,587	26,926
Revolving	<u>8,885</u>	<u>34,407</u>	<u>43,292</u>
Total	\$374,538	\$1,433,470	\$1,808,008

An agreement with HGEA regarding Employer-Union Trust Fund contribution amounts has also been reached. This was previously funded during the 2021 Legislative Session.

The Honorable Ronald D. Kouchi
The Honorable Scott K. Saiki
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Estimated costs for the third and fourth years of the agreement are also provided for your reference:

<u>Salaries & Fringe</u>	<u>FY 24</u>	<u>FY 25</u>	<u>Biennium</u>
General	\$2,484,760	\$4,060,070	\$6,544,830
Special	912,117	1,491,311	2,403,428
Federal	53,210	86,940	140,150
Revolving	<u>85,340</u>	<u>139,842</u>	<u>225,182</u>
Total	\$3,535,427	\$5,778,163	\$9,313,590

Attached is a proposed draft of Senate Bill No. 2783, S.D. 1, H.D. 1, Proposed C.D. 1, 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

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 are appropriated from the sources of
3 funding indicated below to collective bargaining statewide
4 (BUF 102) the following sums or so much thereof as may be
5 necessary to fund for fiscal biennium 2021-2023 all collective
6 bargaining cost items in the agreement negotiated with the
7 exclusive representative of collective bargaining unit (2):

8	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
9 General funds	\$268,840	\$1,005,044
10 Special funds	77,113	315,227
11 Federal funds	5,339	21,587
12 Revolving funds	8,146	31,886

13 Of the above amounts, the following amounts are for the
14 department of education:

15	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
16 General funds	\$148,084	\$529,865
17 Special funds	-0-	92

1 Federal funds 587 2,677

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

6 PART II

7 SECTION 3. There is appropriated from the source of
8 funding indicated below to administration (JUD 601) the
9 following sums or so much thereof as may be necessary to fund
10 for fiscal biennium 2021-2023 all collective bargaining cost
11 items in the agreement negotiated with the exclusive
12 representative of collective bargaining unit (2):

13	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
14	\$669	\$2,311

15 SECTION 4. Funds appropriated by this part shall be
16 expended by the chief justice in the respective fiscal year for
17 the purposes of this part.

18 PART III

19 SECTION 5. There are appropriated from the sources of
20 funding indicated below to collective bargaining statewide
21 (BUF 102) the following sums or so much thereof as may be
22 necessary to fund for fiscal biennium 2021-2023 the salary

1 increases and other cost adjustments authorized by chapter 89C,
2 Hawaii Revised Statutes, for state officers and employees who
3 are excluded from collective bargaining and belong to the same
4 compensation plans as those officers and employees within
5 bargaining unit (2):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
7 General funds	\$178	\$ 606
8 Revolving funds	739	2,521

9 SECTION 6. 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 IV

14 SECTION 7. There is appropriated from the source of
15 funding indicated below to Hawaii health systems
16 corporation - corporate office (HTH 210) the following sums or
17 so much thereof as may be necessary to fund for fiscal
18 biennium 2021-2023 the collective bargaining cost items in the
19 agreement negotiated with the exclusive representative of
20 collective bargaining unit (2) who is assigned to the Hawaii
21 health systems corporation:

1	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
2 Special funds	\$13,514	\$54,288

3 SECTION 8. Funds appropriated by this part shall be
4 allotted by the director of finance to the Hawaii health systems
5 corporation for expenditure in the respective fiscal year for
6 the purposes of this part.

7 PART V

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

13 SECTION 10. The fiscal year 2021-2022 appropriations under
14 this Act shall not lapse until the end of fiscal
15 biennium 2021-2023; provided that funds appropriated or
16 authorized by this Act that are not expended or encumbered by
17 June 30, 2023, shall lapse as of that date.

18 SECTION 11. This Act shall take effect upon its approval.

S.B. NO.

2783
S.D. 1
H.D. 1
C.D. 1
PROPOSED

Report Title:

Public Employment Cost Items

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (2) 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.