



EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

GOV. MSG. NO. 24

April 26, 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 3 (White Collar Employees). Notification of ratification of the CB agreement was issued on April 22, 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	\$ 9,613,687	\$11,525,899	\$21,139,586
Special	1,449,473	1,892,724	3,342,197
Federal	755,582	901,832	1,657,414
Other Federal	152,071	177,685	329,756
Trust	43,249	48,703	91,952
Interdepartmental Transfers	29,790	38,005	67,795
Revolving	120,877	136,863	257,740
Other	29,676	37,267	66,943
American Rescue Plan	2,394	4,050	6,444
Special Fund CIP	<u>5,026</u>	<u>7,466</u>	<u>12,492</u>
Total	\$12,201,825	\$14,770,494	\$26,972,319

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

Estimated costs for the third and fourth years of the agreement are also provided for your reference:

	<u>FY 24</u>	<u>FY 25</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$38,719,848	\$63,234,052	\$101,953,900
Special	6,422,088	10,514,317	16,936,405
Federal	3,058,598	5,007,020	8,065,618
Other Federal	605,171	991,725	1,596,896
Trust	164,768	269,564	434,332
Interdepartmental Transfers	129,348	211,933	341,281
Revolving	465,539	762,661	1,228,200
Other	125,831	205,759	331,590
American Rescue Plan	13,837	22,693	36,530
Special Fund CIP	<u>25,215</u>	<u>41,234</u>	<u>66,449</u>
Total	\$49,730,243	\$81,260,958	\$130,991,201

Attached is a proposed draft of Senate Bill No. 2784, 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 (3):

8		<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
9	General funds	\$8,228,826	\$9,490,965
10	Special funds	\$844,221	\$1,101,551
11	Federal funds	\$719,841	\$854,175
12	Other federal funds	\$148,964	\$174,362
13	Trust funds	\$42,172	\$46,758
14	Interdepartmental transfers	\$26,320	\$33,680
15	Revolving funds	\$107,774	\$120,703
16	Other funds	\$25,130	\$30,373
17	American Rescue Plan funds	\$1,077	\$1,458

1	Special fund CIP	\$5,026	\$7,466
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2 Of the above amounts, the following amounts are for the
3 department of education:

4		<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
5	General funds	\$4,539,255	\$4,268,326
6	Special funds	\$5,863	\$6,030
7	Federal funds	\$58,447	\$68,093
8	Other federal funds	-0-	\$22
9	Trust funds	\$8,792	\$10,031
10	Interdepartmental transfers	-0-	\$276
11	Revolving funds	\$11,783	\$12,474

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.

16 PART II

SECTION 3. There are appropriated from the sources of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 all collective bargaining cost

1 items in the agreement negotiated with the exclusive
 2 representative of collective bargaining unit (3):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
4 General funds	\$666,000	\$851,768
5 Special funds	\$27,276	\$35,466

6 SECTION 4. Funds appropriated by this part shall be
 7 expended by the chief justice in the respective fiscal year for
 8 the purposes of this part.

9 PART III

10 SECTION 5. There are appropriated from the sources of
 11 funding indicated below to collective bargaining statewide
 12 (BUF 102) the following sums or so much thereof as may be
 13 necessary to fund for fiscal biennium 2021-2023 the salary
 14 increases and other cost adjustments authorized by chapter 89C,
 15 Hawaii Revised Statutes, for state officers and employees who
 16 are excluded from collective bargaining and belong to the same
 17 compensation plans as those officers and employees within
 18 bargaining unit (3):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
20 General funds	\$677,386	\$1,118,524
21 Special funds	\$96,507	\$140,092
22 Federal funds	\$35,741	\$47,657

1	Other federal funds	\$3,107	\$3,323
2	Trust funds	\$1,077	\$1,945
3	Interdepartmental transfers	\$3,470	\$4,325
4	Revolving funds	\$13,103	\$16,160
5	Other funds	\$4,546	\$6,894
6	American Rescue Plan funds	\$1,317	\$2,592

7 Of the above amounts, the following amounts are for the
8 department of education:

9		<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
10	General funds	\$136,492	\$432,832
11	Special funds	-0-	\$340
12	Federal funds	\$2,153	\$4,073
13	Other federal funds	-0-	\$27
14	Trust funds	-0-	\$23

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.

19 PART IV

SECTION 7. There is appropriated from the source of
funding indicated below to administration (JUD 601) the
following sums or so much thereof as may be necessary to fund

for fiscal biennium 2021-2023 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, by the chief justice for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within bargaining unit (3):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$41,475	\$64,642

SECTION 8. Funds appropriated by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART V

SECTION 9. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (3) who is assigned to the Hawaii health systems corporation:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$451,085	\$579,693

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

PART VI

SECTION 11. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the salary increases and other adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state 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 (3):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$30,384	\$35,922

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

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

SECTION 15. This Act shall take effect upon its approval.

Report Title:

Public Employment Cost Items

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (3) 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.