



## EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE  
GOVERNOR

**GOV. MSG. NO. 6**

February 16, 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 United Public Workers (UPW) and the employer have reached an agreement concerning collective bargaining (CB) for Unit 1 (Blue Collar Employees). Notification of ratification of the CB agreement was issued on February 14, 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 &amp; Fringe</u>			
General	\$3,526,247	\$5,315,995	\$ 8,842,242
Special	1,636,532	2,505,142	4,141,674
Federal	806,290	1,120,079	1,926,369
Other Federal	29,310	40,707	70,017
Trust	1,077	1,813	2,890
Interdept. Transfers	8,852	17,197	26,049
Revolving	<u>28,476</u>	<u>44,487</u>	<u>72,963</u>
Total	\$6,036,784	\$9,045,420	\$15,082,204

An agreement with UPW 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 &amp; Fringe</u>			
General	\$18,065,134	\$29,587,818	\$47,652,952
Special	8,512,375	13,941,612	22,453,987
Federal	3,806,006	6,233,506	10,039,512
Other Federal	138,897	227,721	366,618
Trust	6,193	10,157	16,350
Interdept. Transfers	58,762	96,373	155,135
Revolving	<u>151,734</u>	<u>248,743</u>	<u>400,477</u>
Total	\$30,739,101	\$50,345,930	\$81,085,031

Attached are proposed drafts of House Bill No. 2091, Proposed H.D. 2, and Senate Bill No. 2782, Proposed S.D. 1, to fund the award.

With warmest regards,



David Y. Ige  
Governor, State of Hawai'i

Attachments

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:**

PART I

SECTION 1. There are appropriated from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (1):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$3,403,026	\$4,861,488
Special funds	1,194,353	1,861,865
Federal funds	806,290	1,119,986
Other federal funds	28,323	39,591
Trust funds	1,077	1,808
Interdepartmental transfers	8,852	17,197
Revolving funds	28,476	44,487

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

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$1,459,370	\$1,741,953
Special funds	1,077	1,645
Federal funds	659,220	889,331
Trust funds	348	49

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

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$102,500	\$123,628

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

PART III

SECTION 5. There are appropriated from the sources of funding indicated below to collective bargaining statewide (BUF 102) 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, 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 (1):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$20,721	\$330,879
Special funds	9,216	12,042
Federal funds	-0-	93
Other federal funds	987	1,116
Trust funds	-0-	5

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

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	-0-	\$306,581
Special funds	-0-	462
Federal funds	-0-	93

1 Trust funds -0- 5

2 SECTION 6. 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 IV

7 SECTION 7. There is appropriated from the source of  
8 funding indicated below to Hawaii health systems  
9 corporation - corporate office (HTH 210) the following sums or  
10 so much thereof as may be necessary to fund for fiscal  
11 biennium 2021-2023 the collective bargaining cost items in the  
12 agreement negotiated with the exclusive representative of  
13 collective bargaining unit (1) who is assigned to the Hawaii  
14 health systems corporation:

15	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
16 Special funds	\$406,633	\$600,118

17 SECTION 8. Funds appropriated by this part shall be  
18 allotted by the director of finance to the Hawaii health systems  
19 corporation for expenditure in the respective fiscal year for  
20 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 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 (1):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$26,330	\$31,117

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. 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

1 shall be paid wholly or proportionately, as the case may be,  
2 from the respective funds.

3 SECTION 12. The fiscal year 2021-2022 appropriations under  
4 this Act shall not lapse until the end of fiscal  
5 biennium 2021-2023; provided that funds appropriated or  
6 authorized by this Act that are not expended or encumbered by  
7 June 30, 2023, shall lapse as of that date.

8 SECTION 13. 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 (1) 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.*

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

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