

#### **EXECUTIVE CHAMBERS**

DAVID Y. IGE GOVERNOR HONOLULU

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:

	FY 22	FY 23	<u>Biennium</u>
Salaries & Fringe			
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	28,476	44,487	72,963
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.

The Honorable Ronald D. Kouchi The Honorable Scott K. Saiki February 16, 2022 Page 2 of 2

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

	FY 24	FY 25	<u>Biennium</u>
Salaries & Fringe	·		
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>	248,743	400,477
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. loe

Governor, State of Hawai'i

#### Attachments

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 (1):
8	<u>FY 2021-2022</u> <u>FY 2022-2023</u>
9	General funds \$3,403,026 \$4,861,488
10	Special funds 1,194,353 1,861,865
11	Federal funds 806,290 1,119,986
12	Other federal funds 28,323 39,591
13	Trust funds 1,077 1,808
14	Interdepartmental transfers 8,852 17,197
15	Revolving funds 28,476 44,487
16	Of the above amounts, the following amounts are for the
17	department of education:

# H.B. NO. H.D. 2 PROPOSED

1		FY 2021-2022	FY 2022-2023
2	General funds	\$1,459,370	\$1,741,953
3	Special funds	1,077	1,645
4	Federal funds	659,220	889,331
5	Trust funds	348	49
6	SECTION 2. Funds a	appropriated by	this part shall be
7	allotted by the director	of finance to	the appropriate state
8	departments for expendit	cure in the resp	ective fiscal year for
9	the purposes of this par	ct.	
10		PART II	
11	SECTION 3. There i	s appropriated	from the source of
12	funding indicated below	to administrati	on (JUD 601) the
13	following sums or so muc	ch thereof as ma	y be necessary to fund
14	for fiscal biennium 2021	-2023 all colle	ctive bargaining cost
15	items in the agreement n	negotiated with	the exclusive
16	representative of collect	ctive bargaining	unit (1):
17		FY 2021-2022	FY 2022-2023
18	General funds	\$102,500	\$123,628
19	SECTION 4. Funds a	appropriated by	this part shall be
20	expended by the chief ju	stice in the re	spective fiscal year for
21	the purposes of this par	rt.	

22

Federal funds

### H.B. NO. 2091 H.D. 2 PROPOSED

1		PART III	
2	SECTION 5. There a	re appropriated from	the sources of
3	funding indicated below	to collective bargai	ning statewide
4	(BUF 102) the following	sums or so much ther	eof as may be
5	necessary to fund for fi	scal biennium 2021-2	023 the salary
6	increases and other cost	adjustments authori	zed by chapter 89C,
7	Hawaii Revised Statutes,	for state officers	and employees who
8	are excluded from collec	tive bargaining and	belong to the same
9	compensation plans as th	ose officers and emp	loyees within
10	bargaining unit (1):		
11		FY 2021-2022	FY 2022-2023
12	General funds	\$20,721	\$330,879
13	Special funds	9,216	12,042
14	Federal funds	-0-	93
15	Other federal funds	987	1,116
16	Trust funds	-0-	5
17	Of the above amount	s, the following amo	unts are for the
18	department of education:		
19		FY 2021-2022	FY 2022-2023
20	General funds	-0-	\$306,581
21	Special funds	-0-	462

-0-

93

### H.B. NO. 2091 H.D. 2 PROPOSED

Trust funds 5 -0-1 SECTION 6. Funds appropriated by this part shall be 2 allotted by the director of finance to the appropriate state 3 departments for expenditure in the respective fiscal year for 4 the purposes of this part. 5 6 PART IV 7 SECTION 7. There is appropriated from the source of 8 funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or 9 so much thereof as may be necessary to fund for fiscal **10** 11 biennium 2021-2023 the collective bargaining cost items in the agreement negotiated with the exclusive representative of 12 collective bargaining unit (1) who is assigned to the Hawaii 13 health systems corporation: 14 15 FY 2021-2022 FY 2022-2023 Special funds \$406,633 \$600,118 16 Funds appropriated by this part shall be 17 allotted by the director of finance to the Hawaii health systems 18 19 corporation for expenditure in the respective fiscal year for 20 the purposes of this part.

### H.B. NO. 2091 H.D. 2 PROPOSED

1	PART V
2	SECTION 9. There is appropriated from the source of
3	funding indicated below to Hawaii health systems
4	corporation - corporate office (HTH 210) the following sums or
5	so much thereof as may be necessary to fund for fiscal
6	biennium 2021-2023 the salary increases and other adjustments
7	authorized by chapter 89C, Hawaii Revised Statutes, for state
8	officers and employees who are excluded from collective
9	bargaining, assigned to the Hawaii health systems corporation,
10	and belong to the same compensation plans as those officers and
11	employees within bargaining unit (1):
12	<u>FY 2021-2022</u> <u>FY 2022-2023</u>
13	Special funds \$26,330 \$31,117
14	SECTION 10. Funds appropriated by this part shall be
15	allotted by the director of finance to the Hawaii health systems
16	corporation for expenditure in the respective fiscal year for
17	the purposes of this part.
18	PART VI
19	SECTION 11. Salary increases and cost adjustments provided
20	in this Act for any officer or employee whose compensation is
21	paid, in whole or in part, from federal, special, or other funds

## H.B. NO. H.D. 2 PROPOSED

- 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.

department of education:

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## A BILL FOR AN ACT

PART I

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

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

_			
2	SECTION 1. There are a	ppropriated f	rom the sources of
3	funding indicated below to c	ollective bar	gaining statewide
4	(BUF 102) the following sums	or so much t	hereof as may be
5	necessary to fund for fiscal	biennium 202	1-2023 all collective
6	bargaining cost items in the	agreement ne	gotiated with the
7	exclusive representative of	collective ba	rgaining unit (1):
8	FY	2021-2022	FY 2022-2023
9	General funds \$3	,403,026	\$4,861,488
10	Special funds 1	,194,353	1,861,865
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13	Trust funds	1,077	1,808
14	Interdepartmental transfers	8,852	17,197
15	Revolving funds	28,476	44,487
16	Of the above amounts, t	he following	amounts are for the

## S.B. NO. S.D. 1 PROPOSED

1		FY 2021-2022	<u>FY 2022-2023</u>
2	General funds	\$1,459,370	\$1,741,953
3	Special funds	1,077	1,645
4	Federal funds	659,220	889,331
5	Trust funds	348	49
6	SECTION 2. Funds	appropriated by th	is part shall be
7	allotted by the direct	or of finance to th	e appropriate state
8	departments for expend	liture in the respec	tive fiscal year for
9	the purposes of this p	part.	
10		PART II	
11	SECTION 3. There	e is appropriated fr	om the source of
12	funding indicated belo	w to administration	(JUD 601) the
13	following sums or so m	nuch thereof as may	be necessary to fund
14	for fiscal biennium 20	21-2023 all collect	ive bargaining cost
15	items in the agreement	negotiated with th	e exclusive
16	representative of coll	ective bargaining u	nit (1):
17		FY 2021-2022	FY 2022-2023
18	General funds	\$102,500	\$123,628
19	SECTION 4. Funds	s appropriated by th	nis part shall be
20	expended by the chief	justice in the resp	pective fiscal year for
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Federal funds

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# S.B. NO. S.D. 1 PROPOSED

1		PART III	
2	SECTION 5. There a	re appropriated fr	om the sources of
3	funding indicated below	to collective barg	aining statewide
4	(BUF 102) the following	sums or so much th	ereof as may be
5	necessary to fund for fi	scal biennium 2021	-2023 the salary
6	increases and other cost	adjustments autho	orized by chapter 89C,
7	Hawaii Revised Statutes,	for state officer	s and employees who
8	are excluded from collec	tive bargaining ar	nd belong to the same
9	compensation plans as th	ose officers and e	employees within
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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	FY 2021-2022 FY 2022-2023
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.

## S.B. NO. 2782 S.D. 1 PROPOSED

1	PART V
2	SECTION 9. There is appropriated from the source of
3	funding indicated below to Hawaii health systems
4	corporation - corporate office (HTH 210) the following sums or
5	so much thereof as may be necessary to fund for fiscal
6	biennium 2021-2023 the salary increases and other adjustments
7	authorized by chapter 89C, Hawaii Revised Statutes, for state
8	officers and employees who are excluded from collective
9	bargaining, assigned to the Hawaii health systems corporation,
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