



GOV. MSG. NO. 8

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

April 24, 2024

✓ The Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker of the House of Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha Senate President Kouchi and Speaker Saiki:

An agreement has been reached concerning the Hawai'i Government Employees Association's (HGEA) collective bargaining for Units 2 (Blue Collar Supervisors), 3 (White Collar Employees), 4 (White Collar Supervisors), 8 (Administrative, Profession, and Technical Employees of the University of Hawai'i), 9 (Registered Professional Nurses), 13 (Professional and Scientific Employees), and 14 (State Law Enforcement Officers) for the Executive Branch (including the Hawai'i Health Systems Corporation and University of Hawai'i, but excluding the Department of Education (DOE)), and the Judiciary, to resolve grievances relating to temporary hazard pay (THP) during the COVID-19 pandemic. Additionally, an arbitration award has been issued concerning HGEA's class action grievances for Units 2, 3, 4, 9, and 13 with DOE relating to THP during the COVID-19 pandemic.

In accordance with Section 89-11, HRS, cost items must be submitted to the Legislature for appropriation. The amounts also include funding for the arbitration award for DOE.

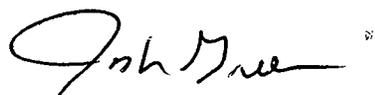
The Honorable Ronald D. Kouchi
The Honorable Scott K. Saiki
April 24, 2024
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The following is a summary of the included and excluded requirements of the settlement agreement and arbitration award for the current fiscal biennium being transmitted to the Legislature for appropriation:

	<u>FY 24</u>	<u>FY 25</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$	\$355,665,821	\$355,665,821
Special	47,496,434	47,496,434
Federal	26,862,136	26,862,136
Other Federal	6,322,959	6,322,959
American Rescue Plan	443,756	443,756
Trust	1,747,078	1,747,078
Interdepartmental Transfers	3,438,128	3,438,128
Revolving	4,872,242	4,872,242
Other	1,827,308	1,827,308
Special Fund CIP	<u>.</u>	<u>341,055</u>	<u>341,055</u>
Total	\$	\$449,016,917	\$449,016,917

Attached is a proposed draft of House Bill No. 2374, H.D. 1, S.D. 1, Proposed C.D. 1, to fund the agreement and arbitration award.

Mahalo,



Josh Green, M.D.
Governor, State of Hawai'i

Attachment

c: Honorable Donovan M. Dela Cruz
Honorable Kyle T. Yamashita

A BILL FOR AN ACT

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST
ITEMS.

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

1 PART I

2 SECTION 1. This Act is recommended by the governor for
3 immediate passage in accordance with section 9 of article VII of
4 the Constitution of the State of Hawaii.

5 PART II

6 SECTION 2. There are appropriated from the sources of
7 funding indicated below to collective bargaining statewide
8 (BUF 102) the following sums or so much thereof as may be
9 necessary to fund for fiscal biennium 2023-2025 all collective
10 bargaining cost items in the agreement negotiated with the
11 exclusive representative of collective bargaining units (2),
12 (3), (4), (8), (9), (13), and (14) and their excluded
13 counterparts. The amounts are for a negotiated settlement for
14 the Executive Branch and the University of Hawaii, and an
15 arbitration award for the Department of Education:

H.B. NO. 2374
H.D. 1
S.D. 1
C.D. 1
PROPOSED

1	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
2 General funds	-0-	290,365,821
3 Special funds	-0-	41,865,982
4 Federal funds	-0-	26,862,136
5 Other federal funds	-0-	6,322,959
6 American Rescue Plan funds	-0-	443,756
7 Trust funds	-0-	1,747,078
8 Interdepartmental transfers	-0-	3,438,128
9 Revolving funds	-0-	4,872,242
10 Other funds	-0-	1,827,308
11 Special fund CIP	-0-	341,055

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

14	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
15 General funds	-0-	102,052,500
16 Special funds	-0-	96,885
17 Federal funds	-0-	1,227,210
18 Trust funds	-0-	161,475
19 Revolving funds	-0-	258,360

20 SECTION 3. Funds appropriated by this part shall be
21 allotted by the director of finance to the appropriate state

H.B. NO. 2374
H.D. 1
S.D. 1
C.D. 1
PROPOSED

1 departments for expenditure in the respective fiscal year for
2 the purposes of this part.

3 PART III

4 SECTION 4. There are appropriated from the sources of
5 funding indicated below to administration (JUD 601) the
6 following sums or so much thereof as may be necessary to fund
7 for fiscal biennium 2023-2025 all collective bargaining cost
8 items in the agreement negotiated with the exclusive
9 representative of collective bargaining units (2), (3), (4),
10 (9), and (13) and their excluded counterparts:

	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
12 General funds	-0-	29,640,000
13 Special funds	-0-	850,792

14 SECTION 5. Funds appropriated by this part shall be
15 expended by the chief justice in the respective fiscal year for
16 the purposes of this part.

17 PART IV

18 SECTION 6. There are appropriated from the sources of
19 funding indicated below to Hawaii health systems
20 corporation - corporate office (HTH 210) the following sums or
21 so much thereof as may be necessary to fund for fiscal
22 biennium 2023-2025 the collective bargaining cost items in the

H.B. NO. 2374
H.D. 1
S.D. 1
C.D. 1
PROPOSED

1 agreement negotiated with the exclusive representative of
2 collective bargaining units (2), (3), (4), (9), and (13) and
3 their excluded counterparts:

	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
4 General funds	-0-	35,660,000
5 Special funds	-0-	4,779,660

7 SECTION 7. Funds appropriated by this part shall be
8 allotted by the director of finance to the Hawaii health systems
9 corporation for expenditure in the respective fiscal year for
10 the purposes of this part.

11 PART V

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

17 SECTION 9. Notwithstanding any provision in this Act, with
18 the approval of the Governor, the director of finance may
19 transfer unrequired balances from the appropriated funds as may
20 be available between parts I and III of this Act as necessary.

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

1 SECTION 10. Funds appropriated or authorized by this Act
2 that are not expended or encumbered by June 30, 2025, shall
3 lapse as of that date.

4 SECTION 11. In accordance with section 9 of article VII of
5 the Constitution of the State of Hawaii and sections 37-91 and
6 37-93, Hawaii Revised Statutes, the legislature has determined
7 that the appropriations contained in this Act will cause the
8 state general fund expenditure ceiling for fiscal year 2024-2025
9 to be exceeded by \$ or per cent. The reasons
10 for exceeding the general fund expenditure ceiling are that:

- 11 (1) The appropriations made in this Act are necessary to
12 serve the public interest; and
13 (2) The appropriations made in this Act meet the needs
14 addressed by this Act.

15 SECTION 12. This Act shall take effect upon its approval.

Report Title:

Public Employment Cost Items; BU-2, BU-3, BU-4, BU-8, BU-9, BU-13, and BU-14; Emergency Appropriations; Expenditure Ceiling

Description:

Makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (8), (9), (13), and (14) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2023-2025.

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