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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 (1) and  
12 (10):

	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
13		
14 General funds	-0-	-0-
15 Special funds	-0-	-0-
16 Federal funds	-0-	-0-
17 Other funds	-0-	-0-



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1 Federal funds -0- -0-

2 Other funds -0- -0-

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

6 PART IV

7 SECTION 6. There are appropriated from the sources of  
8 funding indicated below to collective bargaining statewide  
9 (BUF 102) the following sums or so much thereof as may be  
10 necessary to fund for fiscal biennium 2023-2025 the salary  
11 increases and other cost adjustments authorized by chapter 89C,  
12 Hawaii Revised Statutes, for state officers and employees who  
13 are excluded from collective bargaining and belong to the same  
14 compensation plans as those officers and employees within  
15 bargaining units (1) and (10):

16	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
17 General funds	-0-	-0-
18 Special funds	-0-	-0-
19 Federal funds	-0-	-0-
20 Other funds	-0-	-0-



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1 bargaining units (1) and (10):

2	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
3 General funds	-0-	-0-
4 Special funds	-0-	-0-
5 Federal funds	-0-	-0-
6 Other funds	-0-	-0-

7 SECTION 9. Funds appropriated by this part shall be  
8 expended by the chief justice in the respective fiscal year for  
9 the purposes of this part.

10 PART VI

11 SECTION 10. There are appropriated from the source of  
12 funding indicated below to Hawaii health systems  
13 corporation - corporate office (HTH 210) the following sums or  
14 so much thereof as may be necessary to fund for fiscal  
15 biennium 2023-2025 the collective bargaining cost items in the  
16 agreement negotiated with the exclusive representative of  
17 collective bargaining units (1) and (10):

18	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
19 Special funds	-0-	-0-

20 SECTION 11. Funds appropriated by this part shall be  
21 allotted by the director of finance to the Hawaii health systems

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

3 PART VII

4 SECTION 12. There are appropriated from the source of  
5 funding indicated below to Hawaii health systems  
6 corporation - corporate office (HTH 210) the following sums or  
7 so much thereof as may be necessary to fund for fiscal  
8 biennium 2023-2025 the salary increases and other cost  
9 adjustments authorized by chapter 89C, Hawaii Revised Statutes,  
10 for state officers and employees who are excluded from  
11 collective bargaining, assigned to the Hawaii health systems  
12 corporation, and belong to the same compensation plans as those  
13 officers and employees within bargaining units (1) and (10):

	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>
14 Special funds	-0-	-0-

16 SECTION 13. Funds appropriated by this part shall be  
17 allotted by the director of finance to the Hawaii health systems  
18 corporation for expenditure in the respective fiscal year for  
19 the purposes of this part.

20 PART VIII

21 SECTION 14. Salary increases and cost adjustments provided  
22 in this Act for any officer or employee whose compensation is

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1 paid, in whole or in part, from federal, special, or other funds  
2 shall be paid wholly or proportionately, as the case may be,  
3 from the respective funds.

4 SECTION 15. Funds appropriated or authorized by this Act  
5 that are not expended or encumbered by June 30, 2024, and  
6 June 30, 2025, of the respective fiscal years, shall lapse as of  
7 those dates.

8 SECTION 16. In accordance with section 9 of article VII of  
9 the Constitution of the State of Hawaii and sections 37-91 and  
10 37-93, Hawaii Revised Statutes, the legislature has determined  
11 that the general fund expenditure ceiling for fiscal year 2023-  
12 2024 has already been exceeded by \$1,005,342,735 or 9.4 per  
13 cent. The appropriations contained in this Act will cause the  
14 state general fund expenditure ceiling for fiscal year 2023-2024  
15 to be further exceeded by \$ or per cent. This  
16 declaration takes into account the additional general fund  
17 appropriations authorized for fiscal year 2023-2024 in this Act  
18 only. The reasons for exceeding the general fund expenditure  
19 ceiling are that:

- 20 (1) The appropriations made in this Act are necessary to  
21 serve the public interest; and

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1 (2) The appropriations made in this Act meet the needs  
2 addressed by this Act.

3 SECTION 17. This Act shall take effect upon its approval.

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INTRODUCED BY: 

6

BY REQUEST  
JAN 22 2024

# H.B. NO. 2373

**Report Title:**

Public Employment Cost Items; BU-1 and BU-10; Emergency Appropriations; Expenditure Ceiling

**Description:**

Makes emergency appropriations for collective bargaining cost items for the members of Units (1) and (10) 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.*

## JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS.

PURPOSE: To make emergency appropriations for collective bargaining cost items and other public employment costs for the members of Units (1) and (10) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2023-2025 pursuant to negotiations resolving issues concerning hazard pay.

MEANS: By the submittal of a specific appropriation measure.

JUSTIFICATION: Appropriations by the Legislature are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the respective bargaining unit representing state public officers and employees for the fiscal biennium commencing July 1, 2023.

Inasmuch as an agreement with the bargaining unit was not reached in time to include all cost items in the 2023-2025 biennium budget, a separate measure is proposed for submittal to the Legislature.

The general fund appropriations included in this measure have been proposed with consideration of the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. The total proposed appropriation from the general fund (which includes appropriations authorized in the Executive Supplemental Budget for fiscal biennium 2023-2025 and this measure,

appropriations for bargaining United Public Workers collective bargaining increases) exceed the appropriation ceiling by \$ \_\_\_\_\_ or \_\_\_\_\_ per cent in fiscal year 2023-2024. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2023-2024 in the Executive Supplemental Budget and this measure only and does not include other general fund appropriations for fiscal year 2023-2024 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2024.

In accordance with section 9 of article VII of the Hawaii State Constitution and sections 37-91 and 37-93, Hawaii Revised Statutes, it has been determined that the general fund expenditure ceiling for fiscal year 2023-2024 has already been exceeded by \$1,005,342,735 or 9.4 per cent. The appropriations contained in this bill will cause the state general fund expenditure ceiling for fiscal year 2023-2024 to be further exceeded by \$ \_\_\_\_\_ or \_\_\_\_\_ per cent. The reasons for exceeding the general fund expenditure ceiling are that: (1) The appropriations made in this Act are necessary to serve the public interest; and (2) The appropriations made in this Act meet the needs addressed by this Act.

In accordance with section 9 of article VII of the Hawaii State Constitution and section 37-92, Hawaii Revised Statutes, it has been determined that the general fund expenditure ceiling for the Executive Branch for fiscal year 2023-2024 has already been exceeded by \$300,031,197 or 2.7 per cent. The appropriations contained in this Act will cause the general fund expenditure ceiling for the Executive Branch for fiscal year 2023-2024 to be further exceeded by \$ \_\_\_\_\_ or \_\_\_\_\_ per cent. This declaration takes into account the

additional general fund appropriations authorized for fiscal year 2023-2024 in this Act only. The reasons for exceeding the general fund expenditure ceiling are that:

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

Impact on the public: ". . . (I)t is the public policy of the State to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are best effectuated by: (1) Recognizing the right of public employees to organize for the purpose of collective bargaining; (2) Requiring public employers to negotiate with and enter into written agreements with exclusive representatives on matters of wages, hours, and other conditions of employment, while, at the same time, maintaining the merit principle pursuant to section 76-1 . . ." (Section 89-1(b), Hawaii Revised Statutes).

Impact on the department and other agencies: Pay raise and other negotiated cost items are not included in the departments' operating budget request.

GENERAL FUND: To be determined.

OTHER FUNDS: To be determined.

PPBS PROGRAM DESIGNATION: BUF 102, Collective Bargaining Statewide.  
JUD 601, Administration.  
HTH 210, Hawaii Health Systems Corporation - Corporate Office.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.