JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR

OFFICE OF THE PUBLIC DEFENDER

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

LUIS P. SALAVERIA DIRECTOR

SABRINA NASIR DEPUTY DIRECTOR

STATE OF HAWAI'I **DEPARTMENT OF BUDGET AND FINANCE**

> P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION Ka 'Oihana Mālama Mo'ohelu a Kālā OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE SENATE COMMITTEE ON WAYS AND MEANS ON

HOUSE BILL NO. 2373, H.D. 1, S.D. 1

April 3, 2024 10:30 a.m. Room 211 and Videoconference

MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST **ITEMS**

The Department of Budget and Finance supports moving this Administration proposal, or a similar bill, as collective bargaining (CB) negotiations regarding the issue of temporary hazard pay are currently in progress and vehicle bills may be necessary if an agreement is reached requiring an appropriation prior to the end of the legislative session.

These measures appropriate and authorize appropriations for CB cost items for salary adjustments and other cost adjustments for Fiscal Biennium 2023-25 for United Public Workers, Bargaining Units 1 and 10.

Thank you for your consideration of our comments.



The Judiciary, State of Hawai'i

Testimony to the Thirty-Second State Legislature, 2024 Regular Session

Testimony to the Senate Committee on Ways and Means

Senator Donovan M. Dela Cruz, Chair Senator Sharon Y. Moriwaki, Vice Chair

Wednesday, April 3, 2024, 10:30 am Hawai'i State Capitol, Conference Room 211

by
Eric A. Tanigawa
Human Resources Director

WRITTEN TESTIMONY ONLY

Bill No. and Title: House Bill No. 2373, H.D. 1, S.D. 1, Making Emergency Appropriations for Public Employment Cost Items

Purpose: Makes emergency appropriations for collective bargaining cost items for the members of Bargaining Units 1 and 10 and their excluded counterparts.

Judiciary's Position:

The Judiciary strongly supports House Bill No. 2373, H.D. 1, S.D. 1.

In January 2020, the U.S. Secretary of Health and Human Services declared the COVID-19 outbreak a public health emergency. On March 4, 2020, Governor David Ige issued the first of several emergency proclamations pertaining to the COVID-19 pandemic for the State of Hawai'i, with the last of those proclamations expiring on March 25, 2022.

Unions representing public employees in Hawai'i have been pursuing claims for temporary hazard pay for work performed by government employees during the COVID-19 pandemic pursuant to the hazard-pay provisions of the respective collective bargaining agreements.

Testimony for House Bill No. 2373, H.D. 1, S.D. 1 Senate Committee on Ways and Means April 3, 2024, 10:30 a.m. Page 2

This bill provides appropriations for collective bargaining cost items for temporary hazard pay for employees in bargaining units 1 and 10 and their excluded counterparts. This bill serves as a vehicle for these funding requirements.

In addition, the Judiciary respectfully requests the effective date be changed to take effect upon approval, as set forth in the original version of the bill.

Thank you for the opportunity to testify on House Bill No. 2373, H.D. 1, S.D. 1.



THE SENATE
KA 'AHA KENEKOA
THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2024

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair Senator Sharon Y. Moriwaki, Vice Chair

Wednesday, April 3, 2024, 10:30 AM Conference Room 211 & Videoconference

Re: Testimony on HB2373, HD1, SD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO ("UPW") is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW <u>strongly supports</u> HB2373, HD1, SD1, which 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

During the COVID-19 pandemic, UPW members continued to serve their respective communities by reporting to work despite the likely exposure to the virus, which in many cases resulted in serious incapacitation and long periods of time lost. Their work helped ensure that the State continued providing essential services that could not be performed remotely.

This bill would allow any employer jurisdiction that receives funding from the legislature, outside of the Judiciary and the counties, to secure an emergency appropriation if we are able to reach a settlement agreement for temporary hazard pay ("THP") on behalf of our members. Given the awards that have recently been granted to the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO ("HGEA") through arbitration decisions, we are hopeful that we will be able to reach settlement agreements before the end of the legislative session.

Our members have been waiting for two years for the THP they earned. If UPW is able to settle with the employers this month, this bill would allow these dedicated public servants to receive the much-deserved THP they earned for the essential work they performed during the COVID-19 pandemic.

Mahalo for the opportunity to testify in support of this measure.

Sincerely,

Kalani Werner State Director Testimony Presented Before the Senate Committee on Ways and Means

April 3, 2024 at 10:30 a.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer

University of Hawai'i System

HB 2373 HD1 SD1 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** HB 2373 HD1 SD1, Making Emergency Appropriations for Public Employment Cost Items. This bill makes emergency appropriations for collective bargaining cost items for the members of Units (1) and (10) and their excluded counterparts for fiscal biennium 2023-2025.

Thank you for this opportunity to testify.