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HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

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**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
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ADMINISTRATIVE AND RESEARCH OFFICE  
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FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON LABOR AND GOVERNMENT OPERATIONS  
ON  
HOUSE BILL NO. 2374

**February 6, 2024**  
**9:15 a.m.**  
**Room 309 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 the Hawai'i Government Employees Association, Bargaining Units 2, 3, 4, 9, 13, and 14.

Thank you for your consideration of our comments.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Second Legislature, State of Hawaii  
The House of Representatives  
Committee on Labor and Government Operations

Testimony by  
Hawaii Government Employees Association

February 6, 2024

**H.B. 2374 - MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC  
EMPLOYMENT COST ITEMS**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the passage of H.B. 2374, which makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (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.

We respectfully request that this measure be passed to cover the cost of any collective bargaining cost item(s).

Thank you for the opportunity to testify in strong support of H.B. 2374.

Respectfully submitted,

Randy Perreira  
Executive Director



**UNIVERSITY OF HAWAII SYSTEM**

**‘ŌNAEHANA KULANUI O HAWAII**

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

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Testimony Presented Before the  
House Committee on Labor & Government Operations  
February 6, 2024 at 9:15 a.m.

By

Kalbert K. Young

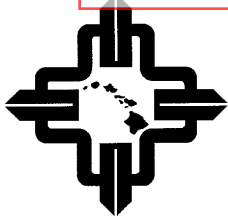
Vice President for Budget and Finance/Chief Financial Officer  
University of Hawai'i System

HB 2374 – MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT  
COST ITEMS

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i **supports** HB 2374, Making Emergency Appropriations for Public Employment Cost Items. This bill makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (9), (13), and (14) and their excluded counterparts for fiscal biennium 2023-2025.

Thank you for this opportunity to testify.



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Quality Healthcare For All"*

**House Committee on Labor & Government Operations**  
**Representative Scot Z. Matayoshi, Chair**  
**Representative Andrew Takuya Garrett, Vice Chair**

February 6, 2024  
Via Videoconference  
Conference Room 309  
9:15 a.m.  
Hawaii State Capitol

**Testimony in Strong Support**  
**HB 2374 Relating to Making Emergency Appropriations for**  
**Public Employment Cost Items.**

Makes emergency appropriations for collective bargaining cost items for the members of Units (2), (3), (4), (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.

Edward N. Chu  
President and Chief Executive Officer  
Hawaii Health Systems Corporation

Hawaii Health Systems Corporation ("HHSC") **strongly supports** HB 2374.

HHSC is bound by the public sector union collective bargaining pay increases that are negotiated by the State of Hawaii and arbitration awards. Despite our progress in financial and operational performance, HHSC is unable to keep up with collective bargaining pay increases and future mandated increases in the fringe rate for pension and retiree health insurance costs (OPEB). The inability to generate sufficient revenue to cover these costs led to reductions in personnel and services in fiscal year 2016, and may lead to future reductions in personnel and services unless sufficient general fund or emergency appropriations are provided to cover these rising costs.

Accordingly, HHSC needs a general fund appropriation to pay for any cost items included in this bill.

Thank you for the opportunity to testify on this important measure.

**HB-2374**

Submitted on: 2/4/2024 4:39:31 PM

Testimony for LGO on 2/6/2024 9:15:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tamara Paltin	Individual	Support	Written Testimony Only

Comments:

I support HB2374

Mahalo,

Tamara Paltin