

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 19

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

APR 24 2025

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

✓ The Honorable Nadine K. Nakamura
Speaker of the House of Representatives
Thirty Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi and Speaker Nakamura:

The Hawai'i Government Employees Association and the employer have reached a tentative agreement concerning collective bargaining for Unit 9 (Registered Nurses). Notice of ratification of the agreement was received on April 24, 2025. In accordance with Section 89-11, HRS, cost items must be submitted to the Legislature for appropriation. The following is a summary of the included and excluded requirements of the settlement for the current fiscal biennium which are being transmitted to the Legislature for appropriation:

	<u>FY 26</u>	<u>FY 27</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$3,264,244	\$ 7,403,922	\$10,668,166
Special	4,739,185	10,430,308	15,169,493
Federal	62,249	124,410	186,659
Other Federal	70,301	151,351	221,652
Revolving	<u>30,185</u>	<u>67,863</u>	<u>98,048</u>
Total	\$8,166,164	\$18,177,854	\$26,344,018

In addition, Employer-Union Trust Fund contribution amounts are as follows:

	<u>FY 26</u>	<u>FY 27</u>	<u>Biennium</u>
General	\$1,193,410	\$2,511,510	\$3,704,920

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

	<u>FY 28</u>	<u>FY 29</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$11,987,906	\$16,811,914	\$28,799,820
Special	16,742,440	23,411,058	40,153,498
Federal	189,046	264,283	453,329
Other Federal	257,620	368,686	626,306
Revolving	<u>116,572</u>	<u>166,589</u>	<u>283,161</u>
Total	\$29,293,584	\$41,022,530	\$70,316,114

Attached is a proposed draft House Bill No. 1035, H.D. 1, S.D. 1, C.D. 1, which has been updated to reflect estimated collective bargaining amounts.

Mahalo,



Josh Green, M.D.

Governor, State of Hawai'i

Attachment

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

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 or authorized from the
3 sources of funding indicated below to collective bargaining
4 statewide (BUF 102) the following sums or so much thereof as may
5 be necessary to fund for fiscal biennium 2025-2027 all
6 collective bargaining cost items in the agreement negotiated
7 with the exclusive representative of collective bargaining
8 unit (9):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
10 General funds	\$3,164,617	\$7,182,261
11 Special funds	\$13,258	\$29,810
12 Federal funds	\$62,249	\$124,410
13 Other federal funds	\$70,301	\$151,351
14 Revolving funds	\$30,185	\$67,863

15 Of the above amounts, the following amounts are for the
16 department of education:

1		<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
2	General funds	\$24,466	\$67,573

3 SECTION 2. Funds appropriated or authorized by this part
 4 shall be allotted by the director of finance to the appropriate
 5 state departments for expenditure in the respective fiscal year
 6 for the purposes of this part.

7 PART II

8 SECTION 3. There are appropriated or authorized from the
 9 source of funding indicated below to administration (JUD 601)
 10 the following sums or so much thereof as may be necessary to
 11 fund for fiscal biennium 2025-2027 all collective bargaining
 12 cost items in the agreement negotiated with the exclusive
 13 representative of collective bargaining unit (9):

14		<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
15	General funds	\$16,186	\$43,292

16 SECTION 4. Funds appropriated or authorized by this part
 17 shall be expended by the chief justice in the respective fiscal
 18 year for the purposes of this part.

19 PART III

20 SECTION 5. There are appropriated or authorized from the
 21 source of funding indicated below to collective bargaining
 22 statewide (BUF 102) the following sums or so much thereof as may

1 be necessary to fund for fiscal biennium 2025-2027 the salary
2 increases and other cost adjustments authorized by chapter 89C,
3 Hawaii Revised Statutes, for state officers and employees who
4 are excluded from collective bargaining and belong to the same
5 compensation plans as those officers and employees within
6 bargaining unit (9):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
8 General funds	\$76,568	\$162,270

9 SECTION 6. Funds appropriated or authorized by this part
10 shall be allotted by the director of finance to the appropriate
11 state departments for expenditure in the respective fiscal year
12 for the purposes of this part.

13 PART IV

14 SECTION 7. There are appropriated or authorized from the
15 source of funding indicated below to administration (JUD 601)
16 the following sums or so much thereof as may be necessary to
17 fund for fiscal biennium 2025-2027 the salary increases and
18 other cost adjustments authorized by chapter 89C, Hawaii Revised
19 Statutes, by the chief justice for state officers and employees
20 who are excluded from collective bargaining and belong to the
21 same compensation plans as those officers and employees within
22 bargaining unit (9):

1 corporation - corporate office (HTH 210) the following sums or
2 so much thereof as may be necessary to fund for fiscal biennium
3 2025-2027 the salary increases and other cost adjustments
4 authorized by chapter 89C, Hawaii Revised Statutes, for state
5 officers and employees who are excluded from collective
6 bargaining, assigned to the Hawaii health systems corporation,
7 and belong to the same compensation plans as those officers and
8 employees within bargaining unit (9):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9		
10	\$167,168	\$329,126

11 SECTION 12. Funds authorized by this part shall be
12 allotted by the director of finance to the Hawaii health systems
13 corporation for expenditure in the respective fiscal year for
14 the purposes of this part.

15 PART VII

16 SECTION 13. There are appropriated from the source of
17 funding indicated below to health premium payments (BUF 761) the
18 following sums or so much thereof as may be necessary to fund
19 for fiscal biennium 2025-2027 all collective bargaining cost
20 items in the agreement negotiated with the exclusive
21 representative of collective bargaining unit (9):

1		<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
2	General funds	\$1,185,360	\$2,495,997

3 SECTION 14. Funds appropriated by this part shall be
4 allotted by the director of finance to the appropriate state
5 departments for expenditure in the respective fiscal year for
6 the purposes of this part.

7 PART VIII

8 SECTION 15. There are appropriated from the source of
9 funding indicated below to health premium payments (BUF 761) the
10 following sums or so much thereof as may be necessary to fund
11 for fiscal biennium 2025-2027 the salary increases and other
12 cost adjustments authorized by chapter 89C, Hawaii Revised
13 Statutes, for state officers and employees who are excluded from
14 collective bargaining and belong to the same compensation plans
15 as those officers and employees within bargaining unit (9):

16		<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
17	General funds	\$8,050	\$15,513

18 SECTION 16. Funds appropriated by this part shall be
19 allotted by the director of finance to the appropriate state
20 departments for expenditure in the respective fiscal year for
21 the purposes of this part.

1 PART IX

2 SECTION 17. Salary increases and cost adjustments provided
3 in this Act for any officer or employee whose compensation is
4 paid, in whole or in part, from federal, special, or other funds
5 shall be paid wholly or proportionately, as the case may be,
6 from the respective funds.

7 SECTION 18. Funds appropriated or authorized by this Act
8 that are not expended or encumbered by June 30, 2026, and
9 June 30, 2027, of the respective fiscal years, shall lapse as of
10 those dates.

11 SECTION 19. This Act shall take effect on July 1, 2025.

H.B. NO. 1035
H.D. 1
S.D. 1
C.D. 1
PROPOSED

Report Title:

Public Employment Cost Items; BU-9; Appropriations; Expenditure Ceiling

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (9) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2025-2027. Effective 7/1/2025. (CD1)

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