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# 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 unit  
8 (7):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	13,898,996	31,090,119
10 Special funds	816,788	1,733,792
11 Federal funds	362,877	769,827
12 Trust funds	76,666	162,591
13 Revolving funds	261,985	556,593
14 American Rescue Plan funds	2,869	6,084

15 SECTION 2. Funds appropriated or authorized by this part  
16 shall be allotted by the director of finance to the appropriate  
17



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

3 PART II

4 SECTION 3. There are appropriated or authorized from the  
5 sources of funding indicated below to collective bargaining  
6 statewide (BUF 102) the following sums or so much thereof as may  
7 be necessary to fund for fiscal biennium 2025-2027 the salary  
8 increases and other cost adjustments authorized by chapter 89C,  
9 Hawaii Revised Statutes, for state officers and employees who  
10 are excluded from collective bargaining and belong to the same  
11 compensation plans as those officers and employees within  
12 bargaining unit (7):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
14 General funds	2,200,199	4,738,762
15 Special funds	344,432	731,751
16 Federal funds	11,406	24,189
17 Revolving funds	8,934	19,239

18 SECTION 4. Funds appropriated or authorized by this part  
19 shall be allotted by the director of finance to the appropriate  
20 state departments for expenditure in the respective fiscal year  
21 for the purposes of this part.



1 PART III

2 SECTION 5. There are appropriated from the source of  
3 funding indicated below to health premium payments (BUF 761) the  
4 following sums or so much thereof as may be necessary to fund  
5 for fiscal biennium 2025-2027 all collective bargaining cost  
6 items in the agreement negotiated with the exclusive  
7 representative of collective bargaining unit (7):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
9 General funds	-0-	-0-

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

14 PART IV

15 SECTION 7. There are appropriated from the source of  
16 funding indicated below to health premium payments (BUF 761) the  
17 following sums or so much thereof as may be necessary to fund  
18 for fiscal biennium 2025-2027 the salary increases and other  
19 cost adjustments authorized by chapter 89C, Hawaii Revised  
20 Statutes, for state officers and employees who are excluded from



1 collective bargaining and belong to the same compensation plans  
2 as those officers and employees within bargaining unit (7):

	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
4 General funds	-0-	-0-

5 SECTION 8. Funds appropriated by this part shall be  
6 allotted by the director of finance to the appropriate state  
7 departments for expenditure in the respective fiscal year for  
8 the purposes of this part.

9 PART V

10 SECTION 9. Salary increases and cost adjustments provided  
11 in this Act for any officer or employee whose compensation is  
12 paid, in whole or in part, from federal, special, or other funds  
13 shall be paid wholly or proportionately, as the case may be,  
14 from the respective funds.

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

19 SECTION 11. In accordance with section 9 of article VII of  
20 the Constitution of the State of Hawaii and sections 37-91 and  
21 37-93, Hawaii Revised Statutes, the legislature has determined



1 that the state general fund expenditure ceiling for fiscal year  
2 2025-2026 has already been exceeded by \$8,551,796 or one per  
3 cent. In addition, the appropriations contained in this Act  
4 will cause the state general fund expenditure ceiling for fiscal  
5 year 2025-2026 to be further exceeded by \$ , or one per  
6 cent. The reasons for exceeding the general fund expenditure  
7 ceiling are that the appropriations made in this Act are  
8 necessary to serve the public interest and to meet the needs  
9 addressed by this Act.

10 SECTION 12. This Act shall take effect on July 1, 2050.

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**Report Title:**

Public Employment Cost Items; BU-7; Appropriations; Expenditure Ceiling

**Description:**

Appropriates funds for collective bargaining cost items for the members of bargaining unit (7) 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 7/1/2050. Declares the expenditure ceiling for fiscal year 2025-2026 is exceeded. (SD1)

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

