

STAND. COM. REP. NO. 111

Honolulu, Hawaii

FEB 07 2025

RE: S.B. No. 1345

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 1345 entitled:

"A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS,"

begs leave to report as follows:

The purpose and intent of this measure is to make emergency appropriations for collective bargaining cost items for the members of bargaining units (2), (3), (4), (8), (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 year 2024-2025.

Your Committee received testimony in support of this measure from the Department of Budget and Finance; University of Hawai'i System; United Public Workers, AFSCME Local 646 AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152 AFL-CIO; and Hawaii Health Systems Corporation.

Your Committee finds that Act 49, Session Laws of Hawaii, (Act 49), which made emergency appropriations for collective bargaining cost items, public employment cost items, and cost adjustments for agencies excluded from collective bargaining was based on estimated amounts. Based on the first payments made in October and November of 2024, the estimates within Act 49 are insufficient to cover necessary funding costs. Your Committee



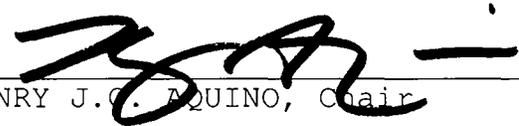
further finds that multiple arbitration awards and settlement agreements, including an agreement reached with the Hawai'i Firefighters Association, have exacerbated the need for additional funding. Accordingly, this measure will ensure the effective operation of the State by providing appropriations for negotiated cost items due to arbitration awards and temporary hazard pay settlements. This measure serves as a legislative vehicle that may be used to make emergency appropriations upon the Legislature's receipt of the final appropriation amounts.

Your Committee has amended this measure by:

- (1) Inserting language to include collective bargaining units (1) and (10) for each emergency appropriation;
- (2) Specifying the amount and percentage by which the general fund expenditure ceiling for fiscal year 2024-2025 has been exceeded;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1345, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1345, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor and
Technology,


HENRY J. C. AQUINO, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* SB1345	Committee Referral: LBT, WAM	Date: 1/31/25
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)	✗			
LEE, Chris (VC)	✗			
IHARA, Jr., Les	✗			
MORIWAKI, Sharon Y.	✗			
FEVELLA, Kurt				✗
TOTAL	4			1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:

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*Only one measure per Record of Votes