June 7, 2019

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

SB1195 SD2 HD1 CD1 RELATING TO PUBLIC EMPLOYMENT COST ITEMS.
ACT 048 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (5):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$13,847,977</td>
<td>$16,477,943</td>
</tr>
<tr>
<td>Federal funds</td>
<td>$332,395</td>
<td>$381,695</td>
</tr>
<tr>
<td>Other federal funds</td>
<td>$3,815</td>
<td>$4,554</td>
</tr>
<tr>
<td>Trust funds</td>
<td>$14,581</td>
<td>$17,432</td>
</tr>
<tr>
<td>Interdepartmental transfers</td>
<td>$1,333</td>
<td>$1,588</td>
</tr>
</tbody>
</table>

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

SECTION 3. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within bargaining unit (5):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$447,975</td>
<td>$509,260</td>
</tr>
<tr>
<td>Federal funds</td>
<td>$52,051</td>
<td>$57,045</td>
</tr>
<tr>
<td>Other federal funds</td>
<td>$2,831</td>
<td>$3,235</td>
</tr>
<tr>
<td>Trust funds</td>
<td>$3,247</td>
<td>$3,711</td>
</tr>
</tbody>
</table>

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

PART III
SECTION 5. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2020 the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive representative of collective bargaining unit (5):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$3,572,625</td>
<td>$10,904,070</td>
</tr>
</tbody>
</table>

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

PART IV

SECTION 7. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2020 the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same
compensation plans as those officers and employees within collective bargaining unit (5):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$3,297</td>
<td>$12,056</td>
</tr>
</tbody>
</table>

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

PART V

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

SECTION 10. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

SECTION 11. This Act shall take effect on July 1, 2019.

APPROVED this 7 day of JUN, 2019

GOVERNOR OF THE STATE OF HAWAII
THE SENATE OF THE STATE OF HAWAI‘I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

[Signature]
President of the Senate

[Signature]
Clerk of the Senate
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2019
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the
House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of
2019.

Scott K. Saiki
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives