Dear Senate President Kouchi and Speaker Saiki:

An arbitration award was issued for the Hawai‘i Government Employees Association (HGEA), Collective Bargaining Unit 14 (State Law Enforcement Officers), on April 15, 2020. In accordance with Section 89-10(b), cost items must be submitted to the Legislature. Because the award was not issued in time for costs to be included in the biennium budget, a placeholder Administration Bill was submitted to the 2020 Legislature.

The estimated costs for the arbitration award are as follows:

<table>
<thead>
<tr>
<th></th>
<th>FY 20</th>
<th>FY 21</th>
<th>Biennium</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salaries &amp; Fringe</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>$1,425,387</td>
<td>$3,316,657</td>
<td>$4,742,044</td>
</tr>
<tr>
<td>Special</td>
<td>68,741</td>
<td>167,879</td>
<td>236,620</td>
</tr>
<tr>
<td>Interdept. Transfers</td>
<td>221,120</td>
<td>529,977</td>
<td>751,097</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,715,248</td>
<td>$4,014,513</td>
<td>$5,729,761</td>
</tr>
</tbody>
</table>

The proposed House Bill No. 2309, H.D. 1, S.D. 1, C.D. 1, reflecting the arbitration award is attached for your use.
An agreement with HGEA regarding Employer-Union Trust Fund contribution amounts was previously reached and funded during the 2019 Legislature.

With warmest regards,

David Y. Ige
Governor, State of Hawai'i

Attachment

c: Honorable Donovan M. Dela Cruz
Honorable Sylvia Luke
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. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. There are appropriated 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 (14):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$1,384,877</td>
<td>$3,225,080</td>
</tr>
<tr>
<td>Special funds</td>
<td>68,741</td>
<td>167,879</td>
</tr>
<tr>
<td>Interdepartmental transfers</td>
<td>221,120</td>
<td>529,977</td>
</tr>
</tbody>
</table>

SECTION 3. 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 II

SECTION 4. There is appropriated from the source 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 (14):

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>$40,510</td>
<td>$91,577</td>
</tr>
</tbody>
</table>

SECTION 5. 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 III

SECTION 6. 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 7. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2021, shall lapse as of that date.

SECTION 8. This Act shall take effect upon its approval.
Report Title:
Relating to Public Employment Cost Items

Description:
Makes emergency appropriations for collective bargaining cost items for the members of Unit (14) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative, for fiscal biennium 2019-2021.

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