



RESOLUTION

APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE HAWAII GOVERNMENT EMPLOYEES ASSOCIATION BARGAINING UNITS 4 AND 13, INCLUDED, EXCLUDED AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU.

WHEREAS, Chapter 89, Hawaii Revised Statutes (HRS), establishes a statewide collective bargaining process for public employees; and

WHEREAS, pursuant to HRS Chapter 89, the Employer (State of Hawaii, Hawaii State Judiciary, Hawaii Health Systems Corporation, City and County of Honolulu, County of Maui, County of Kauai, and County of Hawaii) and the exclusive representative of Bargaining Units 4 and 13 (Hawaii Government Employees Association) began negotiations on June 30, 2020, concerning successive collective bargaining agreements for the employees in the bargaining units; and

WHEREAS, the Employer and the Hawaii Government Employees Association reached Agreements on May 18, 2021; and

WHEREAS, the Agreements were ratified by the Bargaining Unit 4 and 13 employees on May 27, 2021; and

WHEREAS, pursuant to HRS Section 89C-2(4), "For excluded employees under the same classification systems as employees within collective bargaining units, adjustments shall be not less than those provided under collective bargaining agreements for employees hired on a comparable basis;" and

WHEREAS, for civil service managers excluded from Bargaining Unit 13, pursuant to Section 89C-3(b)(2), HRS, "adjustments for excluded civil service employees result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction;" and

WHEREAS, the new collective bargaining agreements make adjustments to a non-wage cost item and are effective for two (2) years, from July 1, 2021, to and including June 30, 2023; and

WHEREAS, pursuant to HRS Section 89-10(b), wage and non-wage cost items are subject to appropriations by the respective legislative bodies; now, therefore,



RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the cost items for the Bargaining Units 4 and 13 Collective Bargaining Agreements between the Employer and the Hawaii Government Employees Association, for the period from July 1, 2021, to and including June 30, 2023, for included, excluded and excluded managerial employees of Bargaining Units 4 and 13 of the City and County of Honolulu (a summary of these cost items is attached as Exhibit A); and

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor, the Director of Budget and Fiscal Services, and the Director of Human Resources.

INTRODUCED BY:

Tony Watson

(br)

DATE OF INTRODUCTION:

JUN 10 2021

Honolulu, Hawaii

Councilmembers

**REPORT TO CITY COUNCIL
COLLECTIVE BARGAINING AGREEMENTS FOR BARGAINING UNITS 4 AND 13
(HGEA)**

Background

The collective bargaining agreements for Bargaining Units 4 and 13 with the Hawaii Government Employees Association (HGEA) expire on June 30, 2021. Negotiations for successor agreements began on June 30, 2020, and continued until May 18, 2021, when the parties tentatively agreed to new contracts. HGEA held statewide ratification meetings from May 21 through May 27, 2021. Ratification voting for Bargaining Units 4 and 13 was completed and the Employers (State of Hawaii, Hawaii State Judiciary, Hawaii Health Systems Corporation, City and County of Honolulu, County of Maui, County of Kauai, and County of Hawaii) were notified of approval on May 27, 2021.

City Employees Covered by Settlements (as of April 30, 2021, including BWS)

Included and Excluded Employees

Bargaining Unit	Included	Excluded	Total
04 – White Collar Supervisors	129	2	131
13 – Professional and Scientific	1319	99	1418
TOTAL	1448	101	1549

Excluded Managerial Employees

In accordance with Chapter 89C-3(b)(2), HRS, managers excluded from Bargaining Unit 13 shall be provided adjustments that result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the employer's jurisdiction.

	Total
EM 13 – Excluded Managerial	165

Duration

The Bargaining Units 4 and 13 Collective Bargaining Agreements are for two (2) years, effective from July 1, 2021, to and including June 30, 2023. However, during the term of the Agreements and not less than ninety (90) days before the beginning of the 2022 Legislative Session, the Employer and HGEA shall meet to continue bargaining in good faith on Article 51 – Salaries or other compensation in lieu of salaries or as a portion of salaries, for the period July 1, 2022, to and including June 30, 2023.

Cost Items

A. Employer-Union Health Benefits Trust Fund (EUTF)

1. **Effective July 1, 2021:** The Employer will pay set dollar amounts for the PPO and HMO plans. These amounts generally equate to 60 percent of the final premium rates of the HMSA 80-20 medical plan (with drug and chiropractic care) established by the Trust Fund Board subject to a cap of 84.3 percent of the total premium for each plan. The Employer will pay set monthly contributions, which are generally equivalent to 60 percent of the premium cost and 60 percent of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay percent of the premiums and fees).
2. **Effective July 1, 2022:** The Employer will pay specific dollar amounts for the PPO and HMO plans. These amounts will generally equate to 60 percent of the final premium rates of the HMSA 80-20 medical plan (with drug and chiropractic care) established by the Trust Fund Board subject to a cap of 84.3 percent of the total premium for each plan. The Employer will pay specific monthly contributions which are generally equivalent to 60 percent of the premium cost and 60 percent of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay percent of the premiums and fees).

The following chart summarizes the City's estimated increase to EUTF costs for the two-year contract period for Bargaining Units 4 and 13 (included, excluded, and excluded managerial):

FY22	FY23	TOTAL FY22-23
\$418,808	\$1,641,708	\$2,060,516