

EXECUTIVE ORDER NO. 17-01

(Civil Service and Exempt Employees Excluded From Bargaining Units 1, 2, 3, 4, 9, 10, 11, 13 and 14)

WHEREAS, under chapter 89C of the Hawaii Revised Statutes, the Governor is granted the authority to make adjustments to the wages, hours, benefits, and other terms and conditions of employment for elected and appointed officials, and employees in the executive branch who are excluded from collective bargaining coverage; and

WHEREAS, for excluded employees who are civil service employees under the same classification systems as employees within collective bargaining units, chapter 89C requires that the adjustments be “not less than” those provided under the collective bargaining agreements for employees hired on a comparable basis; and

WHEREAS, chapter 89C also requires that the 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, chapter 89C provides that each appropriate authority shall determine the adjustments that are relevant for their respective excluded employees who are exempt from civil service in consideration of the compensation and benefit packages provided for other employees in comparable agencies; and

WHEREAS, the State, Judiciary, Hawai‘i Health Systems Corporation, City and County of Honolulu, and counties of Hawai‘i, Maui and Kauai have entered into tentative agreements with the Hawaii Government Employees Association (HGEA), as the exclusive representative for Bargaining Units (BUs) 2, 3, 4, 9 and 13 for the collective bargaining agreements covering July 1, 2017 through June 30, 2019, and

interest arbitration decisions dated April 27, 2017, were rendered for all other outstanding issues; and

WHEREAS, the State, City and County of Honolulu, and counties of Hawai'i, Maui and Kauai have entered into tentative agreements with the Hawaii Fire Fighters Association (HFFA), as the exclusive representative for BU 11 for the collective bargaining agreement covering July 1, 2017 through June 30, 2019, and an interest arbitration decision dated April 17, 2017, was rendered for all other outstanding issues; and

WHEREAS, the State, Judiciary, Hawai'i Health Systems Corporation, City and County of Honolulu, and counties of Hawai'i, Maui and Kauai have entered into Memoranda of Agreement with the United Public Workers (UPW), as the exclusive representative for BUs 1 and 10 to extend the current July 1, 2013 to June 30, 2017 contract, beyond June 30, 2017; and

WHEREAS, the State, City and County of Honolulu, and counties of Hawai'i, Maui and Kauai have entered into Memoranda of Agreement with the Hawaii Government Employees Association (HGEA), as the exclusive representative for BU 14 to extend the current February 22, 2016 to June 30, 2017 contract beyond June 30, 2017; and

WHEREAS, consistent with the agreed-upon terms and conditions, the Director of Human Resources Development has recommended to the Governor the adjustments specified in this executive order for elected and appointed officials; and civil service and exempt employees within the executive branch who are excluded from BUs 1, 2, 3, 4, 9, 10, 11, 13 and 14.

NOW, THEREFORE, I, David Y. Ige, Governor of Hawai'i, pursuant to my executive authority under articles V and VII of the Constitution of the State of Hawai'i, the provisions of chapters 37 and 89C of the Hawaii Revised Statutes, and all other applicable authority, do hereby order effective July 1, 2017 through June 30, 2019, the following for elected and appointed officials; civil service and exempt employees excluded from BUs 1, 2, 3, 4, 9, 10, 11, 13 and 14; and Excluded Managerial Compensation Plan (EMCP) employees excluded from BUs 2, 4, 9, 10, 11, 13 and 14.

Hawai'i Employer-Union Health Benefits Trust

1. Applicable to elected and appointed officials; civil service and exempt employees excluded from BUs 1, 2, 3, 4, 9, 10, 11 and 13; and EMCP employees excluded from BUs 2, 4, 9, 10, 11 and 13 (Attachment A)
2. Applicable to civil service, exempt and EMCP employees excluded from BU 14 (Attachment B)

The document issued in EO 16-03 titled *Provisions for Employees Excluded from BU 14 (BU 74, 94 and 37)* shall be updated with Attachment B (revised pages 69 to 73).

IT IS FURTHER ORDERED that this executive order does not apply to:

(1) employees of public charter schools, the Department of Education and the University of Hawai'i; (2) employees hired for 89 days or less; and (3) those executive branch employees whom I later determine shall not receive the aforementioned adjustments; and

IT IS FURTHER ORDERED that this executive order is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of Hawai'i or its agencies, departments, entities, employees, or any other person; and

IT IS FURTHER ORDERED that these provisions are subject to amendment by executive order.

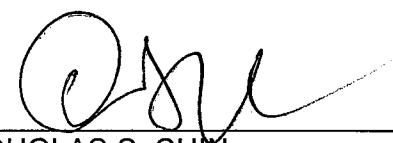
The Director of Human Resources Development shall be responsible for the uniform administration of this executive order and is authorized to make any interpretations concerning the applicability of these adjustments to the employees of the State government executive branch who are excluded from collective bargaining coverage.

DONE at the State Capitol, Honolulu,
State of Hawai'i, this 17th day of
July, 2017.



DAVID Y. IGE
Governor

APPROVED AS TO FORM:



DOUGLAS S. CHIN
Attorney General

This adjustment is applicable to elected and appointed officials; civil service and exempt employees excluded from BUs 1, 2, 3, 4, 9, 10, 11 and 13; and EMCP employees excluded from BUs 2, 4, 9, 10, 11 and 13.

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HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Delete the existing language in this Article in its entirety and replace with the following:

A. "Health Benefit Plan" shall mean the medical PPO, HMO, prescription drug, dental, vision and dual coverage medical plans.

B. Effective July 1, 2017

Subject to the applicable provisions of Chapter 87A and 89, Hawaii Revised Statutes, the Employer shall pay monthly contributions which include the cost of any Hawaii Employer-Union Health Benefits Trust Fund (Trust Fund) administrative fees to the Trust Fund effective July 1, 2017, not to exceed the monthly contribution amounts as specified below:

1. For each Employee-Beneficiary with no dependent-beneficiaries enrolled in the following Trust Fund health benefits plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
<u>a. Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$335.00</u>
<u>b. Dental</u>	<u>\$ 19.44</u>
<u>c. Vision</u>	<u>\$ 3.90</u>
<u>d. Dual coverage (medical, drug & chiro)</u>	<u>\$ 25.54</u>

The Employer shall pay the same monthly contribution for each member enrolled in a self only medical plan (PPO or HMO), regardless of which plan is

1 chosen; provided that the dollar amount contributed by the Employer shall not
2 cause the employer share to exceed 84.3% of the total premium.

3

4 **2. For each Employee-Beneficiary with one dependent-beneficiary**
5 **enrolled in the following Trust Fund health benefit plans:**

6

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
a. <u>Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$812.48</u>
b. <u>Dental</u>	<u>\$ 38.88</u>
c. <u>Vision</u>	<u>\$ 7.20</u>
d. <u>Dual coverage (medical, drug & chiro)</u>	<u>\$ 63.42</u>

13

14 **The Employer shall pay the same monthly contribution for each member**
15 **enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is**
16 **chosen; provided that the dollar amount contributed by the Employer shall not**
17 **cause the employer share to exceed 84.3% of the total premium.**

18

19 **3. For each Employee-Beneficiary with two or more dependent-**
20 **beneficiaries enrolled in the following Trust Fund health benefit plans:**

21

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
a. <u>Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$1,033.06</u>
b. <u>Dental</u>	<u>\$ 63.96</u>
c. <u>Vision</u>	<u>\$ 9.42</u>
d. <u>Dual coverage (medical, drug & chiro)</u>	<u>\$ 70.50</u>

28

1 The Employer shall pay the same monthly contribution for each member
2 enrolled in a family medical plan (PPO or HMO), regardless of which plan is
3 chosen; provided that the dollar amount contributed by the Employer shall not
4 cause the employer share to exceed 84.3% of the total premium.

5
6 4. For each Employee-Beneficiary enrolled in the Trust Fund group
7 life insurance plan, the Employer shall pay \$4.12 per month which reflects one
8 hundred percent (100%) of the monthly premium and any administrative fees.

9
10 C. Effective July 1, 2018

11
12 Subject to the applicable provisions of Chapter 87A and 89, Hawaii Revised
13 Statutes, effective July 1, 2018 for plan year 2018-2019, with the exception of
14 items C1a., C2a., C3a., and C4., which shall be the dollar amounts noted, the
15 Employer shall pay a specific dollar amount equivalent to sixty percent (60%) of
16 the final premium rates established by the Trust Fund Board for the respective
17 health benefit plan, plus sixty percent (60%) of any administrative fees.

18
19 1. The amounts paid by the Employer shall be based on the plan year
20 2018-2019 final monthly premium rates established by the Trust Fund for each
21 Employee-Beneficiary with no dependent-beneficiaries enrolled in the following
22 Trust Fund health plans:

- 23
24 a. Medical (PPO or HMO) (medical, drug, & chiro) \$368.50
25 b. Dental
26 c. Vision
27 d. Dual coverage (medical, drug & chiro)
28

1 The Employer shall pay the same monthly contribution for each member
2 enrolled in a self only medical plan (PPO or HMO), regardless of which plan is
3 chosen; provided that the dollar amount contributed by the Employer shall not
4 cause the employer share to exceed 84.3% of the total premium.

5

6 2. The amounts paid by the Employer shall be based on the plan year
7 2018-2019 final monthly premium rates established by the Trust Fund for each
8 Employee-Beneficiary with one dependent-beneficiary enrolled in the following
9 Trust Fund health plans:

10

- 11 a. Medical (PPO or HMO) (medical, drug, & chiro) \$893.72
- 12 b. Dental
- 13 c. Vision
- 14 d. Dual coverage (medical, drug & chiro)

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16 The Employer shall pay the same monthly contribution for each member
17 enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is
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23 Employee-Beneficiary with two or more dependent-beneficiaries enrolled in the
24 following Trust Fund health plans:

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- 26 a. Medical (PPO or HMO) (medical, drug, & chiro) \$1,136.36
- 27 b. Dental
- 28 c. Vision

1 **d. Dual coverage (medical, drug & chiro)**

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3 **The Employer shall pay the same monthly contribution for each member**
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5 **chosen; provided that the dollar amount contributed by the Employer shall not**
6 **cause the employer share to exceed 84.3% of the total premium.**

7
8 **4. For each Employee-Beneficiary enrolled in the Trust Fund group life**
9 **insurance plan, the Employer shall pay \$4.12 per month which reflects one**
10 **hundred percent (100%) of the monthly premium and any administrative fees.**

11
12 **D. No later than three (3) weeks after the Trust Fund Board formally**
13 **establishes and adopts the final premium rates for Fiscal Year 2018-2019, the**
14 **Office of Collective Bargaining shall distribute the final calculation of the**
15 **Employers' monthly contribution amounts for each health benefit plan.**

16
17 **E. Payment for Plans Eliminated or Abolished. The Employer shall make**
18 **no payments for any and all premiums for any portion or part of a Trust Fund**
19 **health benefit plan that the Trust Fund Board eliminates or abolishes.**

20
21 **F. Rounding Employer's Monthly Contribution. Whenever the Employer's**
22 **monthly contribution (premium plus administrative fee) to the Trust Fund is less**
23 **than one hundred percent (100%) of the monthly premium amount, such monthly**
24 **contribution shall be rounded to the nearest cent as provided below:**

25
26 **1. When rounding to the nearest cent results in an even amount,**
27 **such even amount shall be the Employer's monthly contribution. For example:**

1 **(a) \$11.397 = \$11.40 = \$11.40 (Employer's monthly contribution)**

2 **(b) \$11.382 = \$11.38 = \$11.38 (Employer's monthly contribution)**

3

4 **2. When rounding to the nearest cent results in an odd amount,**
5 **round to the lower even cent, and such even amount shall be the Employer's**
6 **monthly contribution. For example:**

7

8 **(a) \$11.392 = \$11.39 = \$11.38 (Employer's monthly contribution)**

9 **(b) \$11.386 = \$11.39 = \$11.38 (Employer's monthly contribution)**

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11 **All employer contributions effective July 1, 2017 and contributions for**
12 **items C.1a., C.2a., and C.3a., effective July 1, 2018 reflect the rounding described**
13 **in item F. Employer contributions effective July 1, 2018 for items C.1 b, c, d; C.2**
14 **b, c, d; and C.3 b, c, d shall be rounded as described in item F. after the Trust**
15 **Fund Board formally establishes and adopts the final premium rates for Fiscal**
16 **Year 2018-2019.**

17

18 **G. If an agreement covering periods beyond the term of this Agreement is**
19 **not executed by June 30, 2019, Employer contributions to the Trust Fund shall be**
20 **the same monthly contribution amounts paid in plan year 2018-2019 for the**
21 **Health Benefit Plan approved by the Trust Fund including any monthly**
22 **administrative fees.**

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ARTICLE 51

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20 **the same monthly contribution amounts paid in plan year 2018-2019 for the**
21 **Health Benefit Plan approved by the Trust Fund including any monthly**
22 **administrative fees.**

ARTICLE 52 – MISCELLANEOUS

A. *RESERVED*

B. The Employer shall either reimburse the Employee for the reasonable value, or pay for the actual cost of repair, of personal clothing, prescription glasses, and watches which are maliciously damaged or destroyed by another person or animal while the Employee is acting in the discharge of the Employee's duties and without negligence.

The Employer's liability shall be limited to fifty dollars (\$50) for watches.

C. *RESERVED*

D. Wherever the Employer deems it feasible, the Employer may allow Employees to work staggered or flexible hours. Employee participation in such program shall be on a voluntary basis.

E. Section 78-12, Hawaii Revised Statutes, relating to "salary withheld for indebtedness to the government" which also covers salary overpayment shall apply to affected Employees.

ARTICLE 53 – NO STRIKE OR LOCKOUT

A. Employees shall not instigate, aid or engage in any work stoppage, slow down, sickout, refusal to work, picketing or strike against the Employer.

B. The Employer agrees that, there shall be no lockout.

C. Any violation of this Article by the Employer shall not be subject to Article 10, Appeal Procedure, but may be subject to legal remedies as provided by law.

D. Disciplinary action taken against an Employee for violation of this Article shall be subject to Article 10, Appeal Procedure.

ARTICLE 54 – RESERVED

ARTICLE 55 – RESERVED

