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# A BILL FOR AN ACT

RELATING TO LABOR.

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

1           SECTION 1. Section 89-9, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:  
3           "(d) Excluded from the subjects of negotiations are  
4 matters of classification, reclassification, benefits of but not  
5 contributions to the Hawaii employer-union health benefits trust  
6 fund or a voluntary employees' beneficiary association trust;  
7 recruitment; examination; initial pricing; and retirement  
8 benefits except as provided in section 88-8(h). The employer  
9 and the exclusive representative shall not agree to any proposal  
10 that would be inconsistent with the merit principle or the  
11 principle of equal pay for equal work pursuant to section 76-1  
12 or that would interfere with the rights and obligations of a  
13 public employer to:  
14           (1) Direct employees;  
15           (2) Determine qualifications, standards for work, and the  
16           nature and contents of examinations;



- 1           (3) Hire, promote, transfer, assign, and retain employees
- 2           in positions;
- 3           (4) Suspend, demote, discharge, or take other disciplinary
- 4           action against employees for proper cause;
- 5           (5) Relieve an employee from duties because of lack of
- 6           work or other legitimate reason;
- 7           (6) Maintain efficiency and productivity, including
- 8           maximizing the use of advanced technology, in
- 9           government operations;
- 10          (7) Determine methods, means, and personnel by which the
- 11          employer's operations are to be conducted; and
- 12          (8) Take such actions as may be necessary to carry out the
- 13          missions of the employer in cases of emergencies.

14          ~~[The employer and the exclusive representative may~~  
15 ~~negotiate procedures governing the promotion and transfer of~~  
16 ~~employees to positions within a bargaining unit; the suspension,~~  
17 ~~demotion, discharge, or other disciplinary actions taken against~~  
18 ~~employees within the bargaining unit; and the layoff of~~  
19 ~~employees within the bargaining unit. Violations of the~~  
20 ~~procedures so negotiated may be subject to the grievance~~  
21 ~~procedure in the collective bargaining agreement.] This~~  
22 subsection shall not be used to invalidate provisions of



1 collective bargaining agreements in effect on and after June 30,  
2 2007, and shall not preclude negotiations over the procedures  
3 and criteria on promotions, transfers, assignments, demotions,  
4 layoffs, suspensions, terminations, discharges, or other  
5 disciplinary actions as a permissive subject of bargaining  
6 during collective bargaining negotiations or negotiations over a  
7 memorandum of agreement, memorandum of understanding, or other  
8 supplemental agreement.

9 Violations of the procedures and criteria so negotiated may  
10 be subject to the grievance procedure in the collective  
11 bargaining agreement."

12 SECTION 2. Section 89-9, Hawaii Revised Statutes, is  
13 amended by amending subsection (f) to read as follows:

14 "(f) The repricing of classes within an appropriate  
15 bargaining unit may be negotiated as follows:

16 (1) At the request of the exclusive representative and at  
17 times allowed under the collective bargaining  
18 agreement, the employer shall negotiate the repricing  
19 of classes within the bargaining unit. The negotiated  
20 repricing actions that constitute cost items shall be  
21 subject to the requirements in section 89-10[+]; and



1           (2) If repricing has not been negotiated under paragraph  
2           (1), the employer of each jurisdiction shall ensure  
3           establishment of procedures to periodically review, at  
4           least once in five years, unless otherwise agreed to  
5           by the parties, the repricing of classes within the  
6           bargaining unit. The repricing of classes based on  
7           the results of the periodic review shall be at the  
8           discretion of the employer. Any appropriations  
9           required to implement the repricing actions that are  
10          made at the employer's discretion shall not be  
11          construed as cost items."

12          SECTION 2. Statutory material to be repealed is bracketed  
13          and stricken. New statutory material is underscored.

14          SECTION 3. This Act shall take effect upon July 1, 2059;  
15          provided that the amendments made to section 89-9(d), Hawaii  
16          Revised Statutes, by this Act shall not be repealed when that  
17          section is re-enacted on July 1, 2007 by section 8 of Act 245,  
18          Session Laws of Hawai'i, 2005.



**Report Title:**

LABOR

**Description:**

Amending section 89-9(d), Hawaii Revised Statutes, by clarifying that certain statutory actions shall not be used to invalidate collective bargaining agreements in effect on and after June 30, 2007, and such actions may be included in collective bargaining agreements.

