

DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU
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MUFI HANNEMANN
MAYOR



KENNETH Y. NAKAMATSU
DIRECTOR

April 3, 2009

The Honorable Marcus R. Oshiro, Chair
and Members of the Committee on Finance
House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Oshiro and Members:

Subject: Senate Bill No. 642, SD2, HD1 Relating to Public Employees

The City Department of Human Resources supports Senate Bill No. 642, SD2, HD1 which requires that across-the-board wage increases or reductions, step movements and employer contributions for health benefits for civil service employees in the excluded managerial compensation plan are at least equal to adjustments provided under collective bargaining to employees in the bargaining unit from which the employees in the managerial compensation plan are excluded. We further support the amendment to section 89C-3(b)(2) that clarifies that adjustments for excluded employees under the same classification systems as employees within collective bargaining units are at least equal to their counterparts. The proposed amendments serve to better clarify adjustments provided to excluded civil service employees.

Thank you for the opportunity to testify.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Ken Y. Nakamatsu".

Ken Ken Y. Nakamatsu, Director
Department of Human Resources

KN:ksp



HAWAII FIRE FIGHTERS ASSOCIATION

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The Twenty-Fifth Legislature
House of Representatives
Committee on Finance
April 3, 2009

Testimony by
Hawaii Fire Fighters Association

S.B. No. 642, S.D. 2, H.D. 1 Relating to the Public Employees

My name is Robert H. Lee and I am the President of the Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO and an active duty fire captain with the Honolulu Fire Department. On behalf of the 1,800 active duty and 1000 retired professional fire fighters throughout the State, the Hawaii Fire Fighters Association supports S.B. No. 642, S.D. 2, H.D. 1.

We believe the current statute is unclear as to what is considered "wages, hours, benefits, or other term and condition of employment" in the definition of this Chapter. As the proponent of this bill, the intent is to provide a clearer definition of what is mandated by law.

In a recent appeal before the Civil Service Commission of the City and County of Honolulu, a group of excluded managers argued that they are entitled to all provisions of the collective bargaining agreement negotiated by the exclusive representative of their counterpart bargaining unit. Although the CSC denied their appeal, the decision did not address the broad interpretation of the law. On March 24, 2009, this group of excluded managers filed an appeal in Circuit Court to reverse the decision of the CSC.

If excluded managers are entitled to every provision of the CBA as their base wage and benefit packages, in effect the union becomes the negotiating body for the excluded managers. Such interpretation would require the Governor and Mayors to factor in costs associated with excluded managers' wage and benefit adjustments during the unions negotiation process for its rank and file members. **The law should require minimal union involvement with regard to adjustments mandated for excluded managers.** Adjustments other than across-the-board wages, health benefit contributions and step movements should be controlled by the process reserved for excluded managers as currently identified by law.

We are cognizant of the concerns of excluded non-managerial employees and as such, we are offering this amendment to clarify the bill even further to assuage their concerns.

Thank you for the opportunity to testify in support of S.B. No. 642, S.D. 2, H.D. 1.