



**LATE**

NEIL ABERCROMBIE  
GOVERNOR

DWIGHT Y. TAKAMINE  
DIRECTOR

AUDREY HIDANO  
DEPUTY DIRECTOR

**STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 21, 2013

To: The Honorable David Y. Ige, Chair,  
The Honorable Michelle N. Kidani, Vice Chair, and  
Members of the Senate Committee on Ways and

Date: Thursday, February 21, 2013  
Time: 9:00 a.m.  
Place: Conference Room 016, State

From: Dwight Y. Takamine, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. No. 868 SD1 Relating to Collective Bargaining**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The purpose of this proposal is to clarify the procedure for using first class mail by the Hawaii Labor Relations Board (HLRB) to notify parties of a hearing, notwithstanding section 91-9.5, Hawaii Revised Statutes (HRS). The bill also amends section 89-9, HRS, by repealing wording that is not in effect and updating statutory references. The measure also currently has a defective effective date.

The department strongly supports this proposal and defers to the HLRB to provide the information requested by the Committee on Judiciary and Labor for the Ways and Means Committee.

**II. CURRENT LAW**

Current law requires the Board to use registered or certified mail to notice the parties.

**III. COMMENTS ON THE SENATE BILL**

The proposal would permit the HLRB to more efficiently allocate resources. The money from the postage savings would be used in developing an electronic filing system and is the first step in HLRB's strategic planning efforts to move the agency

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into the digital age with a goal towards paperless litigation and electronic filing and document management.

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February 20, 2013

To: The Honorable David Y. Ige, Chair,  
The Honorable Michelle Kidani, Vice Chair, and  
Members of the Senate Committee on Ways & Means (WAM)

Date: Thursday, February 21, 2013  
Time: 09:00 a.m.  
Place: Conference Room 211, State Capitol

From: Sesnita Moepono, Board Member  
Hawaii Labor Relations Board (HLRB)

**Re: S.B. No. 868 Relating to Collective Bargaining**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The purpose of this bill is to clarify the procedure for using first class mail by the Hawaii Labor Relations Board (Board) to notify parties of a hearing, notwithstanding section 91-9.5, Hawaii Revised Statutes (HRS). The bill also amends section 89-9, HRS, by repealing wording that is not in effect and updating statutory references.

**II. CURRENT LAW**

HRS section 91-9.5(a) states:

Unless otherwise provided by law, all parties shall be given written notice of hearing by registered or certified mail with return receipt requested at least fifteen days before the hearing.

### **III. COMMENTS**

The HLRB strongly supports this bill.

Governor Abercrombie's New Day plan envisions transforming state government into an efficient and effective enterprise. If enacted, this measure would allow the board to allocate its resources more efficiently. In addition, this is the first step in the board's strategic planning efforts to move the agency into the digital age with a goal towards paperless litigation and electronic filing and document management.

In Senate Standing Committee Report No. 177, the Senate Judiciary and Labor Committee (JDL) raised two concerns and "requested the Department of Labor and Industrial Relations to provide the Committee on Ways and Means the expected cost savings and any foreseeable legal impacts this measure may have."

The following information regarding the cost savings was provided by the Board to Michael of the WAM Committee Staff on February 12, 2013. This is a conservative estimate on the amount saved in future years. If the Board's caseload increases, then the unrealized savings would be greater.

In our "Other Current Expenses" (general fund), our postage expenditures for last fiscal year was \$3,647. First class mail costs \$1.72 and certified costs \$7.37 for a letter weighing .5 oz.

So first class mail cost is about 23% of Certified Mail. So the Board would save about 77% using first class mail or \$2808.19.

The money will stay in "other current expenses" (general fund) and would allow the Board to begin planning its electronic filing system.

Last year, the Legislature passed a similar bill for the Hawaii Labor and Industrial Appeals Board.

In reply to the Senate JDL Committee's "concerns that this measure may have unintended legal consequences on the Board and the hearing process by changing the method of delivery."

A similar bill was passed by the Legislature last year affecting the Department of Labor and Industrial Relations Appeals Board (LIRAB). LIRAB reports no problems with the use of first class mail for notices in this fiscal year.

So the HLRB cannot foresee any legal impacts this measure may have but, if there is an unforeseeable legal impact, the Board will make every attempt to resolve it.

The remaining amendments contained in the bill are housekeeping and are non-substantive. The bill repeals outdated wording in section 89-9(a) and updates references to 87-4 and 87-1 that were repealed and replaced by chapter 87A, HRS.

We make no comment on the defective date. We yield to WAM's decision.

Thank you for allowing us the opportunity to testify in support of this bill.