
A BILL FOR AN ACT

RELATING TO COLLECTIVE BARGAINING.

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

1 SECTION 1. The purpose of this Act is to allow graduate
2 student assistants employed by the University of Hawaii to
3 collectively bargain their wages, hours, and other terms of
4 employment.

5 SECTION 2. Section 89-6, Hawaii Revised Statutes, is
6 amended as follows:

7 1. By amending subsection (a) to read:

8 "(a) All employees throughout the State within any of the
9 following categories shall constitute an appropriate bargaining
10 unit:

- 11 (1) Nonsupervisory employees in blue collar positions;
12 (2) Supervisory employees in blue collar positions;
13 (3) Nonsupervisory employees in white collar positions;
14 (4) Supervisory employees in white collar positions;
15 (5) Teachers and other personnel of the department of
16 education under the same pay schedule, including part-



- 1 time employees working less than twenty hours a week
2 who are equal to one-half of a full-time equivalent;
- 3 (6) Educational officers and other personnel of the
4 department of education under the same pay schedule;
- 5 (7) Faculty of the University of Hawaii and the community
6 college system;
- 7 (8) Personnel of the University of Hawaii and the
8 community college system, other than faculty;
- 9 (9) Registered professional nurses;
- 10 (10) Institutional, health, and correctional workers;
- 11 (11) Firefighters;
- 12 (12) Police officers;
- 13 (13) Professional and scientific employees, who cannot be
14 included in any of the other bargaining units; and
- 15 (14) State law enforcement officers and state and county
16 ocean safety and water safety officers[-];
- 17 provided that the foregoing list is not exclusive and shall not
18 prevent public employees within other categories from organizing
19 for collective bargaining purposes."
- 20 2. By amending subsection (f) to read:



1 "(f) The following individuals shall not be included in
2 any appropriate bargaining unit or be entitled to coverage under
3 this chapter:

4 (1) Elected or appointed official;

5 (2) Member of any board or commission; provided that
6 nothing in this paragraph shall prohibit a member of a
7 collective bargaining unit from serving on a governing
8 board of a charter school, on the state public charter
9 school commission, or as a charter school authorizer
10 established under chapter 302D;

11 (3) Top-level managerial and administrative personnel,
12 including the department head, deputy or assistant to
13 a department head, administrative officer, director,
14 or chief of a state or county agency or major
15 division, and legal counsel;

16 (4) Secretary to top-level managerial and administrative
17 personnel under paragraph (3);

18 (5) Individual concerned with confidential matters
19 affecting employee-employer relations;

20 (6) Part-time employee working less than twenty hours per
21 week, except part-time employees included in unit (5)



- 1 [?] and part-time graduate student assistants employed
2 by the University of Hawaii;
- 3 (7) Temporary employee of three months' duration or less;
4 (8) Employee of the executive office of the governor or a
5 household employee at Washington Place;
6 (9) Employee of the executive office of the lieutenant
7 governor;
8 (10) Employee of the executive office of the mayor;
9 (11) Staff of the legislative branch of the State;
10 (12) Staff of the legislative branches of the counties,
11 except employees of the clerks' offices of the
12 counties;
13 (13) Any commissioned and enlisted personnel of the Hawaii
14 national guard;
15 (14) Inmate, kokua, patient, ward, or student of a state
16 institution;
17 (15) Student help [?] except a graduate student assistant
18 employed by the University of Hawaii;
19 (16) Staff of the Hawaii labor relations board;
20 (17) Employees of the Hawaii national guard youth challenge
21 academy; or



1 (18) Employees of the office of elections."

2 SECTION 3. Representatives from the University of Hawaii
3 and exclusive representatives of bargaining units that represent
4 employees in the University of Hawaii system shall meet to
5 discuss, determine, and agree upon the scope of negotiable
6 items; provided that not all exclusive representatives need
7 participate. No later than twenty days prior to the convening
8 of the regular session of 2017, the University of Hawaii and
9 exclusive representatives of bargaining units that represent
10 employees in the University of Hawaii system shall submit to the
11 legislature a report of their findings and recommendations,
12 including any proposed legislation. The legislature shall
13 consider the findings and recommendations and determine whether
14 the State's collective bargaining laws shall be amended.

15 SECTION 4. This Act does not affect rights and duties that
16 matured, penalties that were incurred, and proceedings that were
17 begun before its effective date.

18 SECTION 5. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.



1 SECTION 6. This Act shall take effect on July 1, 2091;
2 provided that any negotiated collective bargaining agreement
3 shall not take effect until July 1, 2017.



Report Title:

Collective Bargaining Units; UH Graduate Students

Description:

Authorizes the establishment of public employee collective bargaining units not already specifically authorized in law. Allows part-time and full-time graduate student assistants employed by UH to collectively bargain their wages, hours, and other terms; provided that no collective bargaining agreement shall take effect prior to 7/1/2017. Requires UH and the relevant exclusive representatives to meet and report to the Legislature. (HB1529 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 p.m.

By
Risa E. Dickson
Vice President for Academic Affairs
University of Hawai'i

HB 1529 HD1 – RELATING TO COLLECTIVE BARGAINING

Chair Choy, Vice Chair Ichiyama and members of the House Committee on Higher Education:

I am providing testimony on behalf of the University of Hawai'i (UH) regarding House Bill 1529 HD1 – Relating to Collective Bargaining – which proposes to amend Chapter 89, HRS, more specifically HRS, §89-6, to allow for public employees within other categories not identified in HRS, §89-6 to organize for collective bargaining purposes and to include part-time graduate students employed by the University of Hawai'i to be entitled to coverage under HRS, §89-6.

The University of Hawai'i opposes the passage of this measure.

First and foremost, the bill is legally flawed and runs contrary to the concerns and issues raised in Governor David Ige's *Statement of Objections to House Bill No. 553*, dated July 13, 2015. The bill mandates that representatives from the University of Hawai'i and exclusive representatives of bargaining units that represent employees in the University of Hawai'i system shall meet to discuss, determine and agree upon the scope of negotiable items, provided that not all exclusive representatives need to participate. In the *Statement of Objections to House Bill No. 553*, dated July 13, 2015, Governor Ige stated:

*"Further, requiring the University to engage in discussions with exclusive representatives of bargaining units that represent University employees concerning the scope of negotiations is **not consistent with collective bargaining concepts**. The University employs workers represented by multiple collective bargaining representatives - the University of Hawaii Professional Assembly, the Hawaii Government Employees Association, and the United Public Workers. Each of the unions has different negotiating perspectives and priorities and do not currently represent graduate student assistants. **The purpose of collective bargaining is for the employer and the certified "exclusive bargaining representative" of graduate student assistants to negotiate in good faith as to wages, hours, and terms and conditions of employment.** Thus, negotiations regarding the subject matter of*

*collective bargaining must occur with the exclusive representative. **However, an exclusive representative cannot be certified pursuant to section 89-7 and 89-8, Hawaii Revised Statutes, unless the Legislature identifies the "appropriate bargaining unit" for graduate student assistants.***

Based on the above, allowing "*public employees within other categories from organizing for collective bargaining purposes*" without identifying or creating an appropriate bargaining unit would be inoperable based on the current statutory language under HRS, Chapter 89, including but not limited to, §89-6, §89-7, §89-8, and §89-11.

In regards to the subject of allowing graduate student assistant employed by the University of Hawai'i to engage in collective bargaining, we support and adhere with the Governor's statement that "***...graduate student assistants are students first and employees second.***" This statement was contained in the Governor's Message No. 1328, dated July 13, 2015, which was part of Governor Ige's multiple problems and objections in his Statement of Objections toward a similar bill, namely House Bill 553, in which the bill was eventually vetoed. I note here that the problems and objections by the State's Chief Executive remain the same. Nothing has changed. The current bill is still objectionable since it is still incomplete and could potentially cause legal and administrative problems. None of these positions is a career position within government service which is contrary to all other positions in the established fourteen (14) collective bargaining units under HRS, §89-6. There still will be significant cost increases to both the University and the State of Hawai'i should graduate student assistants become employees with the right to collectively bargain. These costs could extend to include, but is not limited to, additional pension contribution costs and possible increases in health benefit costs. The current levels of compensation for graduate student assistants are competitive taken into consideration with tuition waivers and monetary stipends as well as current opportunity for graduate assistants who have 50% appointments to enroll in same health and benefit plans (medical, prescription drugs, dental, vision and life insurance). Graduate assistants who are also full-time students are exempt from the FICA tax.

As noted in prior testimonies, the legislature, University of Hawai'i, and state tax payers must consider several issues when deliberating on the approach to allow university employed graduate student assistants to be included in collective bargaining.

First, from an employment perspective, the University's graduate student assistants are unlike any other employees of the State. Graduate student assistants are students employed as part of their education and training. Graduate student assistants are mentored and supervised by rank 3, 4, and 5 faculty members who hold a terminal degree such as a Ph.D. and have professional mastery in teaching and/or professional work in their respective academic disciplines. The role of a University faculty mentor is to teach graduate assistants how to engage the disciplinary subject matter with the goal of preparing them to find employment as academic professionals with competitive knowledge and skills in the discipline subject matter, and to position them to make

contributions in their disciplines at national and international levels. A graduate student assistantship is a form of on-the-job training or apprenticeship training program with the purpose of mentoring a student with the explicit goal of increasing their competitiveness as they enter their professional academic career. A graduate assistantship is a time bound activity, lasting only as long as a student is enrolled in a graduate program.

Second, the State of Hawai'i and the University of Hawai'i must somberly consider the financial implications of including student employees such as graduate student assistants in the State's public sector collective bargaining law. There will be significant cost increases for both the University and the State of Hawai'i should the Legislature decide that graduate student assistants are indeed employees with a right to collectively bargain. Graduate student assistants of the University are currently compensated via a package that includes a variety of benefits. University graduate student assistants receive tuition waivers valued between \$593 to \$1,770 per credit hour, per semester, depending upon if they are a Hawai'i resident or an out of state student. For example, UH Mānoa full time resident graduate student tuition ranges between \$7,116 and \$11,196 per semester while non-resident tuition ranges between \$17,160 and \$21,240 per semester. Graduate student assistants may also receive a monetary stipend that varies by the educational program in which they are enrolled. The current level of compensation is a significant cost to the University and a significant amount of the financial assistance provided to graduate student assistants

Third, because mandatory subjects of bargaining covers wages, hours, conditions of employment and fringe benefits, all such subjects shall now become "cost items" subject to legislative appropriations pursuant to HRS, §89-10(b). For example, membership in the State Employees' Retirement System as provided to employees in Chapter 88, HRS, will add pension contribution costs to the State and the employee. An increase in enrollment in the Employer-Union Trust Fund for health insurance benefits will increase expenses for the University for contributions, and to the State for total liability of the system. Additionally, all collectively bargained compensation may be treated as wages that will be subject to employment and income taxes – an issue graduate assistants are not considering as it relates to the value of tuition waivers. The Legislature must consider the additional expenses incurred above the current operational costs in the creation of a 15th bargaining unit. Adding collective bargaining components to graduate student assistants, who are first and foremost students and employed as an extension of their student experience at the University, will increase State general fund demand while simultaneously increasing University operational expenses.

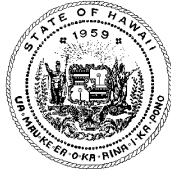
Finally, since last legislative session, University of Hawai'i President Lassner met with representatives of the UH Mānoa Graduate Student Organization (GSO) in both July and October 2015. To address the GSO concerns, the administration has been working with the chief academic officers and the UH Mānoa Office Graduate Education on a proposed revision to the procedures that addresses the GSO concerns. Among the items up for consideration are one year appointments and renewals instead of semester appointments as appropriate, earlier renewal date notifications, reminding supervisors

to consider advance to next step on salary schedule for exemplary performance, recognition of the need for outside employment for many students, and work schedule adjustments for illness or emergency situations.

The Legislature must consider the current tuition waivers and compensation paid to graduate student assistants who are first and foremost students and employed as an extension of their student experience at the University. The proposed bill will increase expenses above the current operational expenses.

In summary, the University of Hawai'i opposes HB 1940 HD1 because graduate student assistants are students first and because of the significant cost implications for the State, the University, and the state's taxpayers.

Thank you for the opportunity to testify.



**STATE OF HAWAII
OFFICE OF COLLECTIVE BARGAINING
EXECUTIVE OFFICE OF THE GOVERNOR**
235 S. BERETANIA STREET, SUITE 1201
HONOLULU, HAWAII 96813-2437

February 8, 2016

TESTIMONY TO THE
HOUSE COMMITTEE ON HIGHER EDUCATION
For Hearing on Tuesday, February 9, 2016
2:00 p.m., Conference Room 309

By

JAMES K. NISHIMOTO
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**House Bill No. 1529, HD1
Relating to Collective Bargaining**

CHAIRPERSON CHOY, VICE CHAIR ICHIYAMA AND MEMBERS OF THE HOUSE
COMMITTEE ON HIGHER EDUCATION:

H.B. No. 1529, HD1 authorizes the establishment of public employee collective bargaining units not already specifically authorized in law. The bill allows part-time and full-time graduate student assistants employed by UH to collectively bargain their wages, hours, and other terms; provided that no collective bargaining agreement shall take effect prior to 7/1/2017. The bill also requires UH and the relevant exclusive representatives to meet and report to the legislature.

The Office of Collective Bargaining **DOES NOT SUPPORT** this bill for the following reasons:

- While the bill provides that other categories may organize for collective bargaining, it is unclear what process or criteria are to govern how a bargaining

unit for the other categories of employees is to be established, given that it is the legislature that has in the past established and defined bargaining units.

- Unlike other public employees, who are career, long-term employees engaged in collective bargaining, a graduate student's employment is temporary and is not a career or profession.
- Allowing UH graduate students to participate in collective bargaining could result in significant cost increases for both the UH and the State since mandatory subjects of collective bargaining cover wages, hours, conditions of employment, and fringe benefits.
- The determination of the scope of negotiable items are issues more appropriately left to the Employer and exclusive representative in the context of Chapter 89, HRS, rather than being determined by representatives of the University of Hawaii and exclusive representatives of bargaining units that represent employees in the University system.

Based upon the above, the Office of Collective Bargaining respectfully requests that this measure **be held**.

Thank you for the opportunity to testify on this measure.



Date: February 9th, 2016
Time: 2:00PM
Place: Conference Room 309

To: House Committee on Higher Education
Representative Isaac Choy, Chair
Representative Linda Ichiyama, Vice Chair

Re: Support for HB 1529 - Relating to Collective Bargaining

Dear Chair Choy, Vice Chair Ichiyama, and Members of the House Committee on Higher Education:

Thank you for this opportunity to provide testimony. My name is Jonathan Dial, and I am writing on behalf and as the President of the University of Hawai'i at Mānoa (UHM) Graduate Student Organization (GSO), which represents the approximately 5,000 graduate students at the UHM campus. I am writing in strong support of HB 1529, which seeks to secure collective bargaining rights for graduate assistants at UH.

As you know, the role of graduate assistants is integral to the university's operation. They teach, research, and perform administrative work, but they are unfairly compensated for their labor and are vulnerable to exploitation and poor treatment. Regardless of the elimination of the bottom steps of the pay scale for graduate assistants in 2013, the pay rate for any of the steps has not increased since 2003/2004. The current base pay (\$17,500/year) is just fifty-one percent of the cost of living in Honolulu for graduate students, declared by the University to be nearly \$34,000/year in 2012. Given that these positions are intended to serve as means through which students can earn a living wage while pursuing their education, this is a major problem for graduate students. Furthermore, the relatively short duration of these positions, while sometimes pointed to by critics as a rationale for graduate assistants not needing collective bargaining rights, actually make these employees more vulnerable to exploitation. We also find that a climate of fear of retaliation amongst many graduate assistants leads them to refuse to speak out, especially in the forms of formal grievances or Congressional testimony.

These circumstances deter potential students and are also likely responsible for many students' decisions to leave UH and the state. Indeed, graduate student enrollment has significantly declined in recent years. Attempts by the GSO to improve these circumstances, especially pertaining to compensation, have been flatly denied by administration. Even a one-time adjustment in pay would not guarantee that similar problems would not continue to arise in the future. Through collective bargaining, this vulnerable population would be able to protect and promote its own interests, while simultaneously protecting the future of post graduate higher education for the state. Based on these reasons, we strongly support HB 1529.

Thank you,

Jonathan Dial
UH Mānoa Graduate Student Organization, President

ichiyama2-Brandon

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 08, 2016 8:03 AM
To: HEDtestimony
Cc: bp32@hawaii.edu
Subject: *Submitted testimony for HB1529 on Feb 9, 2016 14:00PM*

HB1529

Submitted on: 2/8/2016

Testimony for HED on Feb 9, 2016 14:00PM in Conference Room 309

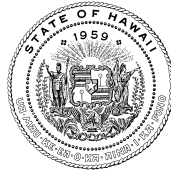
Submitted By	Organization	Testifier Position	Present at Hearing
Bret Polopolus-Meredith	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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DAVID Y. IGE
GOVERNOR



LATE

WRITTEN ONLY

WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION
ON
HOUSE BILL NO. 1529, H.D. 1**

February 9, 2016
2:00 p.m.

RELATING TO COLLECTIVE BARGAINING

This measure allows graduate students employed by the University of Hawaii (UH) to collectively bargain by amending Chapter 89-6, HRS, to remove the exemption from collective bargaining for graduate students employed by UH and authorizing the establishment of public employee collective bargaining units not already specifically authorized in law. Representatives from the UH and exclusive representatives of bargaining units that represent employees of the UH system are to meet and report to the Legislature no later than 20 days prior to the convening of the Regular Session of 2017, including any proposed legislation.

The Department of Budget and Finance opposes this measure. UH has outlined several reasons why it is best to keep collective bargaining out of the management of these student-employees in their testimony. The cost implications of allowing graduate students to collectively bargain are a special concern, especially in UH's current fiscal situation. Furthermore, the administrative and legal problems outlined in the Governor's Statement of Objections of House Bill No. 553, vetoed on July 13, 2015, are also present in this bill.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922



The Twenty-Eighth Legislature, State of Hawaii
House of Representatives
Committee on Higher Education

Testimony by
Hawaii Government Employees Association

February 9, 2016

H.B. 1529, H.D. 1 – RELATING TO
COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO conceptually supports the purpose and intent of H.B. 1529, H.D. 1, which allows for graduate student assistants employed by the University of Hawaii to bargain and requires the University and relevant exclusive representatives to meet; however, we prefer the language in and passage of H.B. 1940.

Graduate assistants employed by the University have encountered numerous work related issues in the past, including budget set backs and increases in class size and workload, in addition to the high cost of living in Hawaii. We prefer the language proposed in H.B. 1940 as it is the more viable of the two bills; it not only removes the current exclusion of this group from collectively bargaining but also creates a unique bargaining unit with a dispute mechanism.

Thank you for the opportunity to testify on this important matter.

Respectfully submitted,


for Randy Perreira
Executive Director



Randy Perreira
President

HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

LATE

The Twenty-Eighth Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Higher Education

Telephone: (808) 597-1441
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Testimony by
Hawaii State AFL-CIO
February 9, 2016

H.B. 1529, HD1 – RELATING TO
COLLECTIVE BARGAINING

The Hawaii State AFL-CIO strongly supports H.B. 1529, H.D. 1 which authorizes the establishment of public employee collective bargaining units not already specifically authorized in law and allows part-time and full-time graduate student assistants employed by UH to collectively bargain their wages, hours, and other terms; provided that no collective bargaining agreement shall take effect prior to July 1, 2017.

Having the ability to collectively bargain will give University of Hawaii graduate students a unified voice to discuss their working conditions, wages, and a number of other benefits to help improve their quality of life and work environment. Collective bargaining will help solve workplace problems and provide a grievance process to ensure each situation is handled appropriately and fairly. The Hawaii State AFL-CIO strongly urges the passage of H.B. 1529, H.D. 1.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President