



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

---

Testimony Presented Before the  
House Committee on Labor and Public Employment  
Tuesday, February 2, 2016 at 9:30 a.m.

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

### HB 1529 – RELATING TO COLLECTIVE BARGAINING

Chair Nakashima, Vice Chair Keohokalole and members of the House committee on Labor and Public Employment:

I am providing testimony on behalf of the University of Hawai'i (UH) regarding House Bill 1529 – 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 we explained in prior testimonies, in deliberating on the approach to allow university-employed graduate student assistants to be included for collective bargaining, there are several issues that the Legislature, the University and the State taxpayers should consider. From an employment perspective, first consider the rationality of requiring the State and University to collectively bargain employment with employed students – in this case, graduate student assistants. The University's graduate student assistants are unlike any other employees of the State. First and foremost, they are students first and employees second. Graduate student assistants are student learners. They are at the University to learn as much about their fields of study as their individual time and talents will allow. These graduate student assistants are mentored and supervised by our rank 3, 4, and 5 Faculty members who hold

Ph.Ds. and have many years of proven professional competence and experience, including evidence of proficiency in teaching and/or research. Part of our efforts as University mentors is to teach graduate assistants the subject matter. An equal or large part of our efforts is devoted to developing such graduate student assistants as academic professionals with real job skills in research techniques, teaching expertise, etc. contributing to scholarly and research disciplines at national and international levels. They learn these essential skill sets while in their graduate assistant positions under the guidance and supervision of our current faculty employees. A graduate student assistant is similar to an on-the-job training or apprenticeship training program. It is not a career or a profession, but the beginning stages most faculty must complete to pursue a career in higher education. There is no long term career opportunities for graduate student assistants at the University and a University's priority is degree completion for these graduate student assistants.

The duties and assignments of a graduate assistant differ from that of a faculty member. Our faculty members in ranks 3, 4, and 5 who mentor graduate student assistants are professionals required to teach classes and/or develop research programs without active supervision or management oversight. The purpose of an assistantship is to train and mentor a student in to specific skill sets with the explicit goal of increasing their competitiveness as they enter their professional academic career.

The State of Hawai'i and the University of Hawai'i must somberly consider the financial implications of student employees such as graduate student assistants in HRS, Chapter 89, 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 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. Current compensation for graduate student assistants varies upon individual circumstances of the student. University graduate student assistants receive tuition waivers that are valued between \$593 to \$1,770 per credit hour, per semester, depending upon their residency status. Factors such as whether the student is a Hawai'i resident or non-resident will increase the value of the tuition waiver benefit. For example, UH Mānoa full time resident graduate student tuition ranges between \$7,116 to \$11,196 per semester while non-resident tuition ranges between \$17,160 to \$21,240 per semester. Graduate student assistants may also receive a monetary stipend that can vary 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. Currently, graduate assistants who are 50% FTE may elect to participate in the medical, prescription drugs, dental, vision and life insurance programs at comparable premiums to members of bargaining units. As mandatory subjects of bargaining includes 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, may add pension contribution costs to the State and employee.

In addition, any increased enrollment in the Employer-Union Trust Fund for health insurance benefits will also add increased expenses to the University for contributions, and to the State for total liability of the system. Additionally, all compensation collectively bargained for can be treated as wages that will be subject to employment and income taxes – an issue graduate assistants may not be considering as it relates to 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.

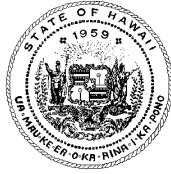
Since mandatory subjects of bargaining covers wages, hours, conditions of employment and fringe benefits, all such subjects shall now become “cost items” subject to legislative appropriations pursuant to HRS, §89-10(b). For example, membership in the State Employees’ Retirement System as provided to employees in Chapter 88, HRS, will add pension contribution costs to the State and the employee.

Since last legislative session, President Lassner met with representatives of the UH Mānoa Graduate Student Organization (GSO) in July and October 2015, and several other internal discussions have occurred to address the matters the GSO representatives conveyed on behalf of their members. The University’s priority for a graduate assistant is degree completion. To consider and address the GSO concerns, the administration has been working with the chief academic officers and the UH Mānoa Office Graduate Education on a proposed update to our procedure that addresses the GSO concerns regarding consideration of one year 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 need for outside employment at times, 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.

Based on the above, we request that this measure be held.

Thank you for the opportunity to testify on this measure.



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

February 1, 2016

TESTIMONY TO THE  
HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT  
For Hearing on Tuesday, February 2, 2016  
9:30 a.m., Conference Room 309

By

JAMES K. NISHIMOTO  
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

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

CHAIRPERSON NAKASHIMA, VICE CHAIR KEOHOKALOLE AND MEMBERS OF  
THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT:

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

H.B. No. 1529 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:

- Unlike other employees, a graduate student's employment is temporary and is

not a career or profession.

- Establishing UH graduate students as collective bargaining unit 15 could have 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 requirement for representatives from the University of Hawaii and exclusive representatives of bargaining units that represent employees in the University of Hawaii system to meet to discuss, determine and agree upon the scope of negotiable items and submit a recommendation to the legislature would more appropriately be contained in a resolution, not a bill for an act.

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



## 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 Labor and Public Employment

Testimony by  
Hawaii Government Employees Association

February 2, 2016

H.B. 1529 – RELATING TO  
COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO conceptually supports the purpose and intent of H.B. 1529, 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,

Randy Perreira  
Executive Director



Randy Perreira  
President

# HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441  
Fax: (808) 593-2149

The Twenty-Eighth Legislature, State of Hawaii  
Hawaii State House of Representatives  
Committee on Labor and Public Employment

Testimony by  
Hawaii State AFL-CIO  
February 2, 2016

## H.B. 1529 – RELATING TO COLLECTIVE BARGAINING

The Hawaii State AFL-CIO strongly supports H.B. 1529 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 the University of Hawaii to collectively bargain their wages, hours, and other terms.

Having the ability to collectively bargain will give the 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.

Thank you for the opportunity to testify.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy Perreira".

Randy Perreira  
President





Date: February 2<sup>nd</sup>, 2016  
Time: 9:30AM  
Place: Conference Room 309

To: House Committee on Labor  
Representative Mark M. Nakashima, Chair  
Representative Jarrett Keohokalole, Vice Chair

Re: Support for HB 1529 Relating to Collective Bargaining

Dear Chair Nakashima, Vice Chair Keohokalole, and Members of the House Committee on Labor & Public Employment,

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.

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

Representative Mark M. Nakashima, Chair  
Representative Jarrett Keohokalole, Vice Chair  
Committee on Labor and Public Employment

House of Representatives of the State of Hawai'i

Lance D. Collins, Ph.D  
Law Office of Lance D Collins

Tuesday, February 2, 2016  
Support H.B. 1529, Relating to Collective Bargaining

My name is Lance D. Collins. I am an attorney in private practice. I strongly support this bill.

Graduate students perform the same work as other public employees who work for the University of Hawai'i. In most instances, this work is done with the same level of supervision or less as other public employees at the University of Hawai'i. The only difference between graduate student employees and others is that the graduate students have no protection from arbitrary and capricious employment decisions and often must suffer poor and sometimes illegal working conditions to maintain their employment.

Over the years, the University has stated that its purpose for graduate assistantships is to train and mentor graduate students for their professional careers. Taking collective action for the betterment of working conditions and collective bargaining should be included in that training. Being subject to arbitrary and capricious employment decisions and poor and abusive working conditions only trains graduate students to accept that such harmful conduct is a necessary component to academic life – when it, in fact, is not.

In 1968, the people of Hawai'i amended the Hawai'i State Constitution to provide public employees the right to collectively bargain. Article XIII, Section 2 of the Hawai'i State Constitution. Nevertheless, the implementing statute has been interpreted to exclude graduate students from the ambit of the public employee collective bargaining statute.

That interpretation exceeds the powers of the legislature and violates such a right. “[T]he framers [of the constitution] were not in favor of granting the legislature the ultimate power to deny the right to organize for the purpose of collectively bargaining.” *UPW v. Yogi*, 101 Haw. 46, 52 (2002)

HB 1529 will amend Chapter 89, HRS, to properly include graduate students in the express ambit of collective bargaining so that they may exercise their constitutional right to organize and collectively bargain for better working conditions.

Mahalo.

//

**LATE**

TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT  
ON  
HOUSE BILL NO. 1529

February 2, 2016

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.

Date: Tuesday, February 2, 2016  
Time: 9:30 AM  
Place: Conference Room 309



To: House Committee on Labor  
Representative Mark M. Nakashima, Chair  
Representative Jarrett Keohokalole, Vice Chair

Re: Support of HB 1529 Relating to Collective Bargaining

Dear Chair Nakashima, Vice Chair Keohokalole, and Members of the House Committee on Labor,

Thank you for the opportunity to provide testimony. My name is Nicholas Chagnon, and I am a graduate student at the University of Hawai'i at Mānoa (UHM). I am writing in strong support of HB 1529, which seeks to grant collective bargaining rights to graduate students employed by the University of Hawai'i (UH).

I have worked at the university for five years, as a teaching assistant, research assistant, and adjunct faculty. I have not once received a pay increase that was not the result of switching jobs. In fact, my net pay decreased several times due to increases in our insurance premiums. When I first came here, I lived in unsafe housing with poor wiring and could barely afford groceries. I often had to delay in buying staple foods such as milk and bread, because I could only afford to cover my rent at the time. Eventually, I was forced to take out student loans to supplement my income. Because of this, I face a student debt of over \$100,000 when I graduate. I would like to stay in Hawaii after graduation, and work to make this state a better place for all. However, I may not be able to considering the job opportunities here in relation to this debt that I will have to pay off each month.

Graduate students are an integral part of the UH system and the local economy. While attending UH, we constitute a committed learning community, do important research, and perform a substantial proportion of the teaching duties. Unfortunately, we are poorly compensated and are vulnerable to exploitation and poor treatment. As individuals, we stand little chance of success in demanding better treatment and compensation, and the long history of failed attempts at improvements proves this to be true. Our only hope for improving our own situations, then, is to collectively bargain with the University administration. For these reasons, I strongly support HB 1529.

Respectfully submitted,

Nicholas J Chagnon, ABD  
Lecturer, UH Manoa Sociology  
Graduate Assistant, UH Manoa Women's Studies

LABtestimony

---

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 01, 2016 7:44 PM  
To: LABtestimony  
Cc: bp32@hawaii.edu  
Subject: \*Submitted testimony for HB1529 on Feb 2, 2016 09:30AM\*

**LATE**

Follow Up Flag: Follow up  
Flag Status: Flagged

**HB1529**

Submitted on: 2/1/2016

Testimony for LAB on Feb 2, 2016 09:30AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

LABtestimony

---

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 01, 2016 7:26 PM  
To: LABtestimony  
Cc: unheelim@gmail.com  
Subject: \*Submitted testimony for HB1529 on Feb 2, 2016 09:30AM\*

**LATE**

Follow Up Flag: Follow up  
Flag Status: Flagged

**HB1529**

Submitted on: 2/1/2016

Testimony for LAB on Feb 2, 2016 09:30AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Unhee Lim	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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)