
A BILL FOR AN ACT

RELATING TO EDUCATIONAL BENEFITS.

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

1 SECTION 1. The legislature finds that the equitable
2 provision of employee benefits at the University of Hawaii at
3 Manoa is a matter of statewide concern. While faculty enjoy
4 educational benefits, including tuition waivers, those same
5 benefits are not afforded to the blue collar nonsupervisory
6 officers and other employees who are assigned to collective
7 bargaining unit (1).

8 The purpose of this Act is to require the University of
9 Hawaii at Manoa to provide its officers and other employees who
10 are assigned to collective bargaining unit (1) with a tuition
11 waiver benefit.

12 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
13 amended by adding a new section to part III, subpart A, to be
14 appropriately designated and to read as follows:

15 "§304A- Tuition waiver benefits for nonsupervisory
16 employees in blue collar positions. (a) The University of
17 Hawaii at Manoa shall provide each of its officers or other



1 employees assigned to the collective bargaining unit established
2 pursuant to section 89-6(a)(1) (nonsupervisory employees in blue
3 collar positions) with no less than one tuition waiver, either
4 for the officer or employee's own tuition, or for the tuition of
5 a family member of the officer or employee.

6 (b) Tuition waivers provided pursuant to subsection (a)
7 shall have the same terms and conditions as the tuition waivers
8 provided to the officers and employees of the University of
9 Hawaii at Manoa assigned to the collective bargaining unit
10 established pursuant to section 89-6(a)(7) (faculty of the
11 University of Hawaii and the community college system) and the
12 family members of those officers and employees.

13 (c) For purposes of this section, "family member" means a
14 spouse, domestic partner, or minor child of an employee or
15 officer."

16 SECTION 3. New statutory material is underscored.

17 SECTION 4. This Act shall take effect on July 1, 2091.



Report Title:

University of Hawaii at Manoa; Tuition Waivers

Description:

Requires the University of Hawaii at Manoa to provide its nonsupervisory blue collar employees in collective bargaining unit (1) or one of their family members with tuition waivers comparable to the tuition waivers provided to faculty and their family members. (HB1530 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
Jan Gouveia
Vice President for Administration
University of Hawai'i System

HB 1530 HD1 – RELATING TO EDUCATIONAL BENEFITS

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

I am submitting written testimony on behalf of the University of Hawai'i regarding House Bill 1530 House Draft 1 – Relating to Educational Benefits – which proposes to statutorily require the University of Hawai'i at Mānoa to provide each of its officers or other employees assigned to collective bargaining unit (1) under HRS, §89-6(a)(1), (nonsupervisory employees in blue collar positions) with no less than one tuition waiver, either for the officer or employee's own tuition, or for the tuition of a family member of the officer or employee. The bill defines family member as a spouse, domestic partner, or minor child of an employee or officer.

The University of Hawai'i opposes this bill as a matter of governance, business protocol, and in defense of the policy authority of the Board of Regents. These types of benefits are rightfully to be determined as a matter of the employer through the collective bargaining process – not legislation. In addition, the bill incorrectly characterizes the inequity of employee benefits offered to UH faculty members and other employees employed at the University. All University employees, including Unit 1 University employees, are entitled to tuition waivers for credit courses in accordance with UH Board of Regents Policy RP 6.207, Exemption from Tuition and Other Fees (unless superseded by a collective bargaining agreement), as long as the employee is employed on a half time basis or more in which tuition waivers are available at **any** University campus for a maximum of six (6) credit hours per academic semester. In this respect, all current Unit 1 employees employed at the University in a 50% FTE position or more are entitled to this benefit which is identical to UH faculty and other employees of the University. Therefore, the University already affords Unit 1 employees with tuition waiver benefits.

Upon further examination, it appears that the proposed statutory language as drafted “...provide each of its officers or other employees assigned to collective bargaining unit established pursuant to section 89-6 (a) (1)..” could be interpreted to include **ALL** State employees assigned to collective bargaining unit (1) under HRS, §89-6(a)(1). The gravity of allowing **ALL** Unit 1 State employees with tuition waiver benefits for themselves or their family members at the UH Manoa campus will be financially and operationally incomprehensible. We have grave concerns about this draft language and the fact that the bill's description deceptively leads one to believe that the bill will only apply to Unit 1 employees employed at the University of Hawaii at Manoa campus.

Moreover, the intent of the proposed language would reverse the intent and work the Legislature took in Act 253, SLH 2000. In Act 253, SLH 2000, the Legislature took the action of creating the

“bright-line” separation between civil service and collective bargaining by modernizing the system to clear the blurred line of responsibility and authority under the prior statutes. The proposed language would re-enact a matter subject to collective bargaining effectuated through statutes in which Act 253, SLH 2000, resolved.

The University does provide educational benefits that do extend to the employee's spouse or domestic partner for certain employees and staff beyond what is provided by the Board of Regents. However, even in these instances, the offered benefits are still similar to those provided under BOR Policy RP 6.207, and were accomplished and agreed upon as a result of the collective bargaining process (with Unit 7 and Unit 8). For these employees, subsidized tuition is provided for employees, and their spouses or domestic partners, and the value of the tuition waiver may be taxable to the employee. Nevertheless, in no case is the tuition waiver benefit extended to the minor child of a University employee as HB 1530, HB 1, attempts to legislatively mandate for **ALL** Unit 1 employees Statewide. Therefore, we are also very concerned that the proposed legislation, if enacted, will open the door for other UH bargaining unit employees (i.e. Units 2, 3, 4, 9 and 10) to introduce legislation to attach themselves to these benefits, and of course, nothing will prevent UH Unit 7 and Unit 8 employees to follow course.

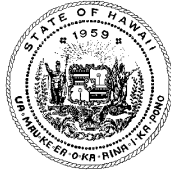
Although a less appropriate standard than determination by policy itself, the collective bargaining process is arguably still more appropriate than legislatively mandating tuition waivers which is considered a "permissive subject of bargaining." The collective bargaining process inherently considers employee benefits and employer's ability to afford such benefits. In House Standing Committee Report no. 88 of the 27th legislature, and House Standing Committee Report no. 38 of the 28th legislature, Chair Nakashima and members of the House Committee on Labor and Public Employment also recognized the concerns raised by legislatively increasing and mandating benefits that may be more appropriately addressed through collective bargaining discussions. Legislatively mandated benefits is contrary to the intent and purpose of HRS, Chapter 89, and its preamble where the legislature states that joint decision-making is the modern way of administering government and the enactment of positive legislation establishing guidelines for public employment relations is the best way to harness and direct the energies of public employees eager to have a voice in determining their conditions of work. This is the appropriate process to negotiate such a matter. Besides, the exclusive bargaining representative for Unit 1 University employees has never submitted a proposal on tuition waivers for negotiations which we believe is the proper venue and forum for a permissive subject of bargaining.

Providing tuition waivers, reduced tuition, or other subsidized tuition benefits is a cost and expense for the University. For the legislature to mandate such expenses and provide no funding to afford such expenses of extending benefits to minor children of employees, spouses and domestic partners of employees, and others further exacerbates the cost of all programs. Established BOR policies already provides tuition benefits to students, employees, and other citizens to the extent that the University has the sufficient revenue stream, assets, and funds to afford such benefits. An expansion of these benefits beyond employees will definitely have an economic impact on the University and for that reason, decisions over the degree and extent of where and how tuition revenues are subrogated are best left to policy governance of the Board of Regents and not by and through enacting legislation. Should this be legislatively mandated, this cost item will require appropriations by the appropriate legislative bodies in accordance with section 89-10(b).

While the University supports employees continuing their education, we respectfully oppose HB 1530 HD1. All eligible employees of the University currently have the opportunity to register for

credit courses and be exempt from the payment of tuition up to six (6) credits per academic semester pursuant to BOR Policy RP 6.207. In the spirit and intent of Act 253, SLH 2000, the University believes that such benefits to employees and their spouse, domestic partner, and possible minor children, are more appropriately handled through Regents policy or through collective bargaining as with Unit 7 and 8 rather than enacting legislation.

Thank you for the opportunity to testify on this bill.



**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
CHIEF NEGOTIATOR, OFFICE OF COLLECTIVE BARGAINING

**House Bill No. 1530, H.D. 1
Relating to Educational Benefits**

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

H.B. 1530, HD1 would require the University of Hawaii at Manoa to provide its nonsupervisory blue collar employees in collective bargaining unit (1) or one of their family members with tuition waivers comparable to the tuition waivers provided to faculty and their family members.

The Office of Collective Bargaining (OCB) **does not support** H.B. 1530, HD1 because the tuition waivers covered by the bill are subject to bargaining under Chapter 89, HRS. Tuition waivers have been negotiated with other bargaining units.

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.

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 HB1530 on Feb 9, 2016 14:00PM*

HB1530

Submitted on: 2/8/2016

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

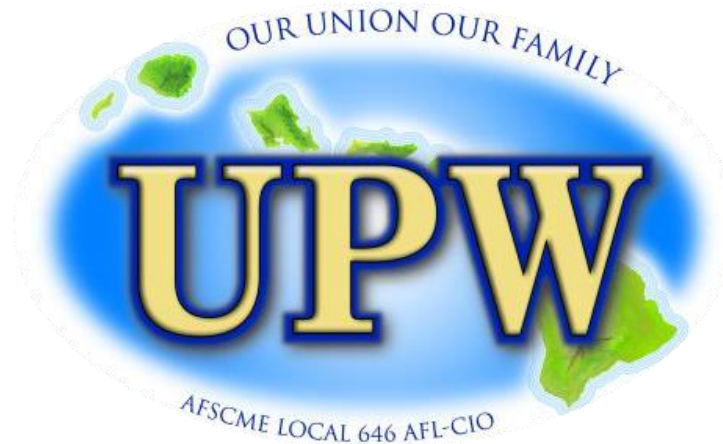
Submitted By	Organization	Testifier Position	Present at Hearing
Bret Polopolus-Meredith	Individual	Support	No

Comments:

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LATE



The Hawaii State House of Representatives
The Twenty-Eighth Legislature
Regular Session of 2016

COMMITTEE ON HIGHER EDUCATION (HED)

The Honorable Isaac Choy, Chair
The Honorable Linda Ichiyama, Vice Chair

DATE OF HEARING: Tuesday, February 9, 2016

TIME OF HEARING: 2:00 pm

PLACE OF HEARING: Conference Room 309

TESTIMONY ON HB1530HD1 RELATING TO EDUCATIONAL BENEFITS

By Dayton M. Nakanelua,
State Director of the United Public Workers,
AFSCME, Local 646, AFL-CIO

My name is Dayton M. Nakanelua, state director of the United Public Workers, AFSCME, Local 646, and AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

Hawaii's educational leaders have a vision that 55% of working age adults will have a two or four-year higher education degree by the year 2025. Their goal is to ensure that Hawaii's work force will be competitive in the 21st century with globalization. This is the "55 by 25" educational program. There is evidence that by 2018 about seven in ten jobs will require some college training.

HB1530 is uniquely suited to providing some educational support to blue-collar workers at the U. of H. or their family members and thereby support the "55 by 25" program goal. The bill when enacted, will make available tuition waivers for BU-01 members employed full time at the UH, comparable to the tuition waivers provided to faculty members at the UH.

The UPW requests that all full-time employees working at the UH be offered these same tuition waivers as the UH faculty members and their families. This is an excellent example for equal opportunity in educational tuition waivers.

The UPW strongly supports this measure and humbly requests for the above-mentioned amendment.

Thank you for the opportunity o submits this testimony.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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

LATE

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. 1530, H.D. 1 – RELATING TO
EDUCATIONAL BENEFITS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports H.B. 1530, H.D. 1, which requires the University of Hawaii at Manoa to provide its nonsupervisory blue collar employees in collective bargaining unit 1 or their family members with tuition waivers comparable to the tuition waivers provided to faculty and their family members. We respectfully request an amendment to the bill to include all other bargaining unit employees within the University system who are not currently eligible to receive this benefit.

Thank you for the opportunity to testify in support of the passage of H.B. 1530, H.D. 1, with the proposed amendment.

Respectfully submitted,


for Randy Perreira
Executive Director