



**Graduate Student Organization
University of Hawai'i at Mānoa**

Hemenway Hall 212 • 2445 Campus Road • Honolulu, HI 96822

Date: February 26, 2016
Time: 9:35 a.m.
Place: Conference Room 211

To: Senate Committee on Ways and Means
Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

Re: Support for SB 2398 - Relating to Collective Bargaining

Dear Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee:

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 SB 2398, 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. They are also 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. They 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 SB 2398.

Respectfully submitted,

Jonathan Dial
UH Mānoa Graduate Student Organization, President



To The Committee on Ways and Means
Friday, February 25, 2016
9:35 a.m., Room 211

RE: SB 2398, SD1, Relating to Collective Bargaining

Attention: Chair Jill Tokuda, Vice Chair Donovan Dela Cruz and
Members of the Committee

The University of Hawaii Professional Assembly (UHPA) urge the Committee to **support passage of SB 2398, SD1** that amends Section 89-6 of the Hawai'i Revised Statute to advance the interests of graduate assistants. These employees are essential to instruction and research that contributes to the overall success of the University of Hawai'i. Graduate Assistants are employees in the full sense of the term with continuing access to positions based on job and academic performance.

UHPA supports the rights of graduate assistants to organize and collectively bargain. Such a right is consistent with the labor tradition in our state and is compatible with an academic environment whereby the majority of employees have access to representation.

UHPA supports the passage of SB 2398, SD1.

Respectively submitted,

Kristeen Hanselman
Executive Director

**University of Hawaii
Professional Assembly**



HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Randy Perreira
President

The Twenty-Eighth Legislature, State of Hawaii
Hawaii State Senate
Committee on Ways and Means

Telephone: (808) 597-1441
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Testimony by
Hawaii State AFL-CIO
February 26, 2016

S.B. 2398, S.D.1 – RELATING TO
COLLECTIVE BARGAINING

The Hawaii State AFL-CIO strongly supports S.B. 2398, S.D.1, which establishes a collective bargaining unit for graduate student assistants employed at the University of Hawaii.

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 S.B. 2398, S.D.1.

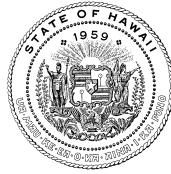
Thank you for the opportunity to testify.

Respectfully submitted,

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

Randy Perreira
President

DAVID Y. IGE
GOVERNOR



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

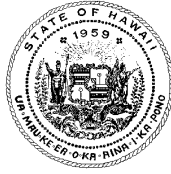
**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2398, S.D. 1**

February 26, 2016
9:35 a.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 a new Bargaining Unit 15.

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.



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

February 24, 2016

TESTIMONY TO THE
SENATE COMMITTEE ON WAYS AND MEANS
For Hearing on Friday, February 26, 2016
9:35 a.m., Conference Room 211

By

JAMES K. NISHIMOTO
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**Senate Bill No. 2398, S.D.1
Relating to Collective Bargaining**

CHAIRPERSON TOKUDA, VICE-CHAIR DELA CRUZ AND MEMBERS OF THE
SENATE COMMITTEE ON WAYS AND MEANS:

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

S.B. No. 2398, S.D.1 would establish a collective bargaining unit for graduate student assistants employed at the University of Hawai'i (UH) with an effective date of January 7, 2059.

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

- Unlike other employees, a graduate student assistant's employment is temporary while they are primarily students engaged in completing their advanced degrees and thus, 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. Based upon the above, OCB respectfully requests that this measure **be held**.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
February 26, 2016 at 9:35 a.m.

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

SB 2398 SD1 – RELATING TO COLLECTIVE BARGAINING

Chair Tokuda, Vice Chair Dela Cruz, and members of the committee:

We hereby provide the following testimony on Senate Bill 2398 Senate Draft 1 – Relating to Collective Bargaining which proposes to amend Hawai'i Revised Statutes §89-6, to create a new bargaining unit 15 entitled "Graduate student assistants employed by the University of Hawaii."

The University opposes this measure.

"...graduate student assistants are students first and employees second." This statement, from Governor's Message No. 1328, dated July 13, 2015 articulates one of the concerns and issues raised in Governor David Ige's Statement of Objections to House Bill 553 which he vetoed in 2015. The current bill continues to be objectionable because it is still incomplete and potentially causes legal and administrative problems. A student graduate assistantship is not a career position within government service, unlike all other employees in the established fourteen (14) collective bargaining units under HRS, §89-6. There 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 would not be limited to additional pension contribution costs and possible increases in health benefit costs. The current levels of compensation for graduate student assistants are competitive when tuition waivers, monetary stipends, and other benefits are taken into account. Graduate student assistants with 50% appointments are eligible for the same health and benefit plans (medical, prescription drugs, dental, vision and life insurance) as state employees. Graduate assistants who are 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 soberly 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 may not be 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 SB 2398 SD1 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.