

HB 1725

**RELATING TO
COLLECTIVE
BARGAINING**

A BILL FOR AN ACT

RELATING TO COLLECTIVE BARGAINING.

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

1 SECTION 1. Section 89-4, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "§89-4 Payroll deductions. (a) Upon receiving from an
4 exclusive representative a written statement specifying the
5 amount of regular dues required of its members in the
6 appropriate bargaining unit, the employer shall deduct this
7 amount from the payroll of every member employee in the
8 appropriate bargaining unit and remit the amount to the
9 exclusive representative. Additionally, the employer shall
10 deduct an amount equivalent to the regular dues from the payroll
11 of every nonmember employee in the appropriate bargaining unit,
12 and shall remit the amount to the exclusive representative;
13 provided that the deduction from the payroll of every nonmember
14 employee shall be made only for an exclusive representative
15 which provides for a procedure for determining the amount of a
16 refund to any employee who demands the return of any part of the
17 deduction which represents the employee's pro rata share of



1 expenditures made by the exclusive representative for activities
2 of a political and ideological nature unrelated to terms and
3 conditions of employment. If a nonmember employee objects to
4 the amount to be refunded, the nonmember employee may petition
5 the board for review thereof within fifteen days after notice of
6 the refund has been received. If an employee organization is no
7 longer the exclusive representative of the appropriate
8 bargaining unit, the deduction from the payroll of members and
9 nonmembers shall terminate.

10 (b) The employer shall, upon written authorization by an
11 employee, executed at any time after the employee's joining an
12 employee organization, deduct from the payroll of the employee
13 the amount of membership dues, initiation fees, group insurance
14 premiums, and other association benefits and shall remit the
15 amount to the employee organization designated by the employee.

16 (c) The employer shall continue all payroll assignments
17 authorized by an employee prior to July 1, 1970, and all
18 assignments authorized under subsection (b) until the employee
19 provides written notification [~~is submitted by an employee~~]
20 within thirty days before the anniversary date of the employee's
21 execution of the written authorization under subsection (b), to



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1 the employee's exclusive representative to discontinue the
 2 employee's assignments. The employee's exclusive representative
 3 shall provide a copy of the employee's written notification to
 4 the employer within seven business days of receipt from the
 5 employee.

6 (d) If any provision of this section, or application
 7 thereof to any person or circumstances, is held invalid, the
 8 remainder of the section, or the application of the provision to
 9 other persons or circumstances, shall not be affected thereby."

10 SECTION 2. Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect upon its approval.
 13

INTRODUCED BY:

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H.B. NO. 1725

Report Title:

Collective Bargaining; Employee Payroll Deductions

Description:

Requires collective bargaining public employees to provide written notification to the employee's exclusive representative to discontinue the employee's payroll assignments within a certain time period. Requires the employee's exclusive representative to provide a copy of the notification to the employer within seven business days of receipt from the employee.

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



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TESTIMONY



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

Testimony by
Hawaii Government Employees Association

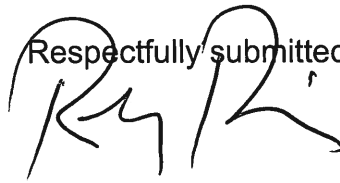
February 8, 2018

H.B. 1725 – RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 1725, which requires public employees to provide written notification to the employee's exclusive representative to discontinue the employee's payroll assignments and mandates the exclusive representative to provide a copy of the notification to the employer within seven business days of receipt from the employee.

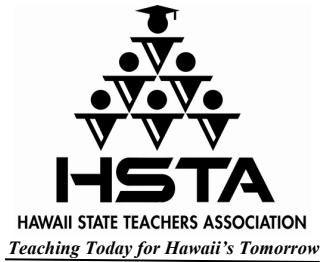
As currently written, Ch. 89-4, Hawaii Revised Statutes, allows for any employee who is represented by an exclusive representative to submit any type of notification to either the employer or the exclusive representative that requests an end to their payroll assignment. The amendments outlined in H.B. 1725 creates a systematic process and timeline for an employee to discontinue their payroll assignment by requiring written notification to the exclusive representative and mandating that the exclusive representative provide a copy of the notification to the employer within seven business day of receipt. This standardized process will ensure that the flow of information between the employee, the exclusive representative, and the employer regarding payroll assignments is streamlined and efficient.

Thank you for the opportunity to testify in strong support of H.B. 1725.

Respectfully submitted,

Randy Perreira
Executive Director

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**LATE
TESTIMONY**



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TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR AND PUBLIC EMPLOYMENT

RE: HB 1725 - RELATING TO COLLECTIVE BARGAINING

THURSDAY, FEBRUARY 8, 2018

WILBERT HOLCK, EXECUTIVE DIRECTOR
HAWAII STATE TEACHERS ASSOCIATION

Chair Johanson and Members of the Committee:

The Hawaii State Teachers Association **supports HB 1725**, relating to collective bargaining.

Our state's commitment to collective bargaining must be reaffirmed under the pending threat of the Supreme Court's ruling in *Janus v. AFSCME*, which could fundamentally undermine Hawaii's dedication to labor management peace by constraining collective bargaining representatives' ability to collect resources from their members and, in turn, diminishing public employees' ability to negotiate with management and represent their members' interests.

In *Janus v. AFSCME*, the petitioners asked the Court to invalidate public-sector agency shop arrangements under the First Amendment. A ruling in favor of Janus would mean public sector employees may leave their unions and not pay dues, while the unions, in turn, would still be legally-bound to represent them. Such a scenario would be financially damaging to the labor movement.

Accordingly, this bill requires employees wishing to opt out of union membership to provide written notification within thirty days of the anniversary of their initial membership date in any given year of their desire to discontinue payroll deductions to their exclusive representative. This will allow unions to better manage the impact of potential member resignations in the wake of a probable *Janus* ruling.

Additionally, this measure provides a mutual benefit to both the employer and exclusive representatives by defining the time period under which an employee may

leave a union. In so doing, this measure prevents an employee from joining, leaving, then re-joining a union at different points in the year, which creates confusion in tracking and implementing the employee's payroll deductions. Restricting the period of time during which an employee may leave the union to a thirty day window closes this loophole in state law and provides better harmony between the employer's and exclusive representatives' accounting systems.

To strengthen Hawai'i's longstanding dedication to protecting collective bargaining, the Hawaii State Teachers Association asks your committee to **support** this bill.