

HOUSE OF REPRESENTATIVES
The Twenty-Ninth Legislature
Regular Session of 2018

COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

DATE OF HEARING: Wednesday, March 28, 2018
TIME OF HEARING: 4:00 p.m.
PLACE OF HEARING: State Capitol, Conference Room 308

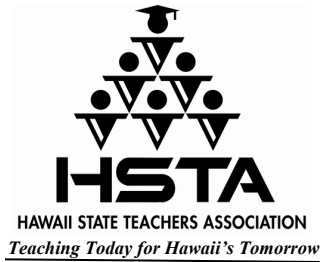
TESTIMONY ON SENATE BILL 2360, HD1 RELATING TO COLLECTIVE BARGAINING

By DAYTON M. NAKANELUA,
State Director of the United Public Workers (UPW),
AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 12,000 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. The UPW also represents about 1,500 members of the private sector.

SB2360, HD1 requires public employees under collective bargaining to provide written notification to the employee's exclusive representative to discontinue the employee's payroll assignment within a certain time. It also requires the employee's exclusive representative to provide a copy of the notification to the employer within ten business days of receipt from the employee. The current process will be improved to ensure timely notification is made and received. The UPW **supports** SB2360, HD1

Thank you for the opportunity to submit this testimony.



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TESTIMONY BEFORE THE HOUSE COMMITTEE ON
FINANCE

RE: SB 2360, HD 1 - RELATING TO COLLECTIVE BARGAINING

WEDNESDAY, MARCH 28, 2018

WILBERT HOLCK, EXECUTIVE DIRECTOR
HAWAII STATE TEACHERS ASSOCIATION

Chair Luke and Members of the Committee:

The Hawaii State Teachers Association **supports SB 2360, HD 1**, 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.



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 Finance

Testimony by
Hawaii Government Employees Association

March 28, 2018

S.B. 2360, H.D. 1 – RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2360, H.D. 1, 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 S.B. 2360 create 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 S.B. 2360, H.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director