

Honolulu, Hawaii

FEB 14 2019

RE: S.B. No. 727
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Hawaiian Affairs and Labor, Culture and the Arts, to which was referred S.B. No. 727 entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Apply civil service and public employee collective bargaining systems to Office of Hawaiian Affairs employees;
- (2) Limit members of the Board of Trustees of the Office of Hawaiian Affairs (Board of Trustees) to a maximum of three terms or twelve years, whichever is lesser, in office;
- (3) Align the partial public funding expenditure limit and maximum amount of public funds available for candidates running for the Board of Trustees with the maximum limit and amount imposed on candidates running for the office of lieutenant governor; and
- (4) Require the display of candidates for the Board of Trustees on the ballot by residency and non-residency



requirements and to randomize the order of candidate names within those groupings and among precincts.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association; Ho'omana Pono, LLC; and one individual. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs. Your Committees received comments on this measure from the Campaign Spending Commission, Office of Elections, and one individual.

Your Committees find that ballot order has been shown to affect election outcomes and the first name on the ballot generally has an advantage over names listed further down the ballot. Your Committees find that under existing law, candidate names are placed on the ballot in alphabetical order, which results in candidates' ballot positions remaining relatively unchanged from election to election. Randomizing the names of candidates for the Board of Trustees will distribute more randomly any advantage that may arise from the order of candidates' names on the ballot.

Your Committees further find that candidates running for the Board of Trustees who voluntarily agree to participate in the partial public funding program run statewide campaigns but are provided substantially less partial public funding than other statewide candidates. This measure seeks to increase the partial public funding expenditure limit and maximum amount of public funds available for candidates for these Board of Trustees candidates. However, your Committees received testimony indicating that this measure, if enacted, would increase the expenditure limit for Board of Trustees candidates by seven hundred percent. Rather than proceed with such a significant increase, your Committees find that a more reasonable approach to addressing the funding imbalance for Board of Trustees candidates is to increase only the \$1,500 cap on the maximum amount of public funds available to Board of Trustees candidates, leaving the partial public funding expenditure limit unamended.

Your Committees additionally find that employees of the Office of Hawaiian Affairs provide invaluable services to Native Hawaiians across the State and their service is critical to the continued success of the Office of Hawaiian Affairs. Despite the



value of their work, Office of Hawaiian Affairs employees are barred from engaging in collective bargaining as a means to improve their wages and standard of living. Your Committees find that providing the option of collective bargaining unit (15) for employees of the Office of Hawaiian Affairs provides them the option of establishing a collective bargaining unit if they vote to do so, while maintaining the autonomy of the Office of Hawaiian Affairs.

Your Committees have amended this measure by:

- (1) Removing term limits for members of the Board of Trustees;
- (2) Removing language to align the partial public funding expenditure limit for candidates for the Board of Trustees with the limit imposed on candidates running for the office of lieutenant governor;
- (3) Increasing the maximum amount of public funds available in each election to each Board of Trustees candidate from ten percent to fifteen percent of the expenditure limit established in section 11-423(d), Hawaii Revised Statutes, which the Campaign Spending Commission has indicated in testimony will increase the maximum amount from \$1,500 to \$21,383 per candidate, per election;
- (4) Increasing the amount a candidate for the Board of Trustees must raise to qualify for public funds from \$1,500 to \$5,000;
- (5) Creating a new bargaining unit for use by employees of the Office of Hawaiian Affairs in the event the employees vote to establish a collective bargaining unit;
- (6) Authorizing the Office of Hawaiian Affairs to have one vote on behalf of the public employer for purposes of negotiating a collective bargaining agreement; and
- (7) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Labor, Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 727, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 727, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Hawaiian Affairs
and Labor, Culture and the
Arts,



BRIAN T. TANIGUCHI, Chair



MAILE S.L. SHIMABUKURO, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Labor, Culture and the Arts
LCA

Bill / Resolution No.:* <i>SB 727</i>	Committee Referral: <i>HWN/LCA, JDC/WAM</i>	Date: <i>2/5/19</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IHARA, Jr., Les (VC)	✓			
CHANG, Stanley				✓
GABBARD, Mike				✓
FEVELLA, Kurt	✓			
TOTAL	<i>3</i>	<i>0</i>	<i>0</i>	<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes