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**STATE OF HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
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February 21, 2019

TESTIMONY TO THE  
HOUSE COMMITTEE ON FINANCE

For Hearing on Friday, February 22, 2019  
12:30 p.m., Conference Room 308

By

RYKER WADA  
DIRECTOR

**House Bill No. 1008, House Draft 1**  
**Relating to the Office of Collective Bargaining and Managed Competition.**

TO CHAIRPERSON LUKE, VICE CHAIR CULLEN, AND MEMBERS OF THE  
COMMITTEE:

The purpose of House Bill No. 1008, House Draft 1 is to transfer the office of collective bargaining, including the position of chief negotiator, to the Department of Human Resources Development (DHRD) from the Office of the Governor.

DHRD **strongly supports** this measure.

Currently, with no position authorized or funding appropriated for the chief negotiator, the DHRD Director has assumed the duties and responsibilities of the chief negotiator, which includes assisting the Governor in formulating State-wide philosophy for public collective bargaining and extends beyond the Executive Branch workforce. In the role of chief negotiator, the DHRD Director naturally relies on support from DHRD's Labor Relations Division for the impact to the Executive Branch and the coordination of bargaining collectively with the public employees of the other statutorily recognized public employer jurisdictions – the City and County of Honolulu, the County of Hawaii, the County of Maui, the County of Kauai, the University of Hawaii, the Department of Education, the Judiciary, and Hawaii Health Systems Corporation.

With no staff currently allocated to the office of collective bargaining, DHRD's Labor Relations Division provides the necessary support to the DHRD Director while acting as chief negotiator. Naturally, the experience, expertise, and institutional

knowledge gained by the Labor Relations Division in the negotiations process will serve as an essential asset to any future chief negotiator.

As such, we ask that the office of collective bargaining, with the chief negotiator position, be permanently transferred to DHRD. Doing so will maintain the institutional knowledge of the State-wide philosophy for collective bargaining, including the history of the collective bargaining agreements and negotiation strategy, within one department – DHRD – and will span across future executive administrations.

Lastly, in light of the fact that part II (privatization) of Act 90, Session Laws of Hawaii 2001, sunsetted in 2007, managed competition pursuant to chapter 89A, Hawaii Revised Statutes, is arguably no longer viable and references to managed competition should be eliminated.

Thank you for the opportunity to testify on this measure.

**HB-1008-HD-1**

Submitted on: 2/21/2019 8:16:57 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dylan P. Armstrong	Individual	Support	No

Comments: