

DAVID Y. IGE
GOVERNOR



RYKER WADA
DIRECTOR

JASON MINAMI
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 11, 2019

TESTIMONY TO THE
HOUSE COMMITTEE ON LABOR, CULTURE
AND THE ARTS

For Hearing on Tuesday, March 12, 2019
2:45 p.m., Conference Room 224

By

Ryker Wada
DIRECTOR

House Bill No. 845, House Draft 1
Relating to Employee Training

TO CHAIRPERSON TANIGUCHI, VICE CHAIR IHARA, AND MEMBERS OF THE
COMMITTEE:

House Bill 845, House Draft 1 establishes the public employees training program to provide training to state employees; allocates either 0.01% of each employee's gross salary, or an amount negotiated pursuant to collective bargaining, to the public employees training program; requires all new employees to be provided with a general orientation on their benefits and rights.

The Department of Human Resources Development (DHRD) **supports the intent** of this measure with **comments**.

DHRD's Training Office was formally re-established in May 2014. With continuing financial support from the Legislature, DHRD's Training Office has initiated and continues to expand employee training programs for all employees of the Executive Branch and has extended its training programs to other state entities as well, including employees of the Legislature. Our curriculum ranges in scope from new hire orientation, career and professional development, to pre-retirement planning. Our Training Office has taken a blended approach, authoring and facilitating a classroom-based curriculum of classes and launching a learning management system hosting approximately 1,000 on-demand offerings. On-demand course completion alone has expanded to over 29,000 courses completed in FY 2018.

With existing funding from the Legislature, DHRD has, for the most part, been able to provide these learning opportunities at no cost to employees of the Executive Branch. However, as a result of the expanded participation in and demand for training opportunities and programs, additional funding is now necessary to secure an enhanced, more robust learning management system.

The additional funding requested by DHRD in its biennium budget request for the new learning management system and additional staff will allow DHRD to support the needs of the Executive Branch, and fulfill our vision of a single, personalized, accurate and timely training resource, supporting on-demand, virtual, and facilitated programs customized by position, focusing on the development of our employees from the point of hire all the way until retirement.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



RODERICK K. BECKER
DIRECTOR

ROBERT YU
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
HONOLULU, HAWAII 96810-0150

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

TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS
ON
HOUSE BILL NO. 845, H.D. 1

**March 12, 2019
2:45 p.m.
Room 224**

RELATING TO EMPLOYEE TRAINING

House Bill (H.B.) No. 845, H.D. 1: establishes the Public Employees Training Program (PETP) and Public Employees Training Special Fund (PETF) within the Department of Human Resources Development (DHRD); establishes the PETP governing board and members; identifies and prioritizes employee training programs to be developed; requires all new employees to be provided a general orientation of their benefits and rights; and assesses an amount equal to 0.01% of a public employee's gross salary, or an amount negotiated pursuant to collective bargaining, to be deposited into the PETF.

As a matter of general policy, the department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the

program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

With regards to H.B. No. 845, H.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

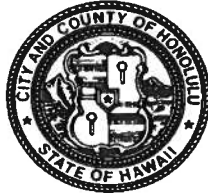
The department defers to DHRD regarding the implementation of this measure.

Thank you for your consideration of our comments.

DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET 10TH FLOOR • HONOLULU, HAWAII 96813
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KIRK CALDWELL
MAYOR



CAROLEE C. KUBO
DIRECTOR

NOEL T. ONO
ASSISTANT DIRECTOR

March 12, 2019

The Honorable Brian Taniguchi, Chair
The Honorable Les Ihara, Jr., Vice Chair
and Members of the Committee on Labor,
Culture and the Arts
The Senate
State Capitol, Room 224
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Taniguchi, Vice Chair Ihara, and Members of the Committee:

**SUBJECT: House Bill No. 845, HD 1
Relating to Employee Training**

House Bill No. 845, HD 1 amends Chapter 78, Hawaii Revised Statutes, by adding three new sections to Part 1. The City and County of Honolulu (City) is seeking clarification that this bill is intended to cover the State only and not the counties. The Department of Human Resources (DHR) respectfully recommends that language be added to clarify that the counties are excluded from the amendments, as that appears to be the intent. DHR already has an established program for new employee orientation, as well as training of City employees at every level and stage of their career, including development for professional, managerial, and leadership-level employees.

Specifically, the amendment to §78- which would create a "Public employees training fund" should specify that it is establishing a State employees training fund which is funded by Legislative appropriations, gifts, donations and grants, and State employees—not employees of the counties. For example,

- (a) There is established within the state treasury the public employees training fund into which shall be deposited the following moneys:
 - (1) Beginning August 1, 2019:
 - (A) For a State public employee subject to chapter 89: . . .

The Honorable Brian Taniguchi, Chair
The Honorable Les Ihara, Jr., Vice Chair
and Members of the Committee on Labor,
Culture and the Arts

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(B) For a State employee not subject to chapter 89: . . .

Clarification is necessary because county employees are included within the definition of employees under Chapters 78 and 89. See, e.g., Hawaii Revised Statutes §§76-11, 78-1.5 & 89-2 (2018). To the extent that county employees will not benefit from this employee training program, county employees should not be required to pay into the fund for such training.

Thank you for the opportunity to provide comments on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read "Carolee C. Kubo". The signature is fluid and cursive, with a long horizontal stroke at the end.

Carolee C. Kubo
Director



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirtieth Legislature, State of Hawaii
The Senate
Committee on Labor, Culture and the Arts

Testimony by
Hawaii Government Employees Association

March 12, 2019

H.B. 845, H.D. 1 – RELATING TO EMPLOYEE TRAINING

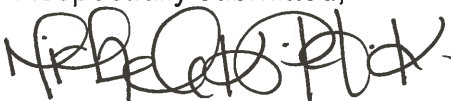
The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the section of H.B. 845 which requires that all new employees are provided with a general orientation on their rights and benefits, and provides comments on the first section of the measure that establishes the public employee training program and allocates either a portion of every employee's salary or a negotiated amount to the program.

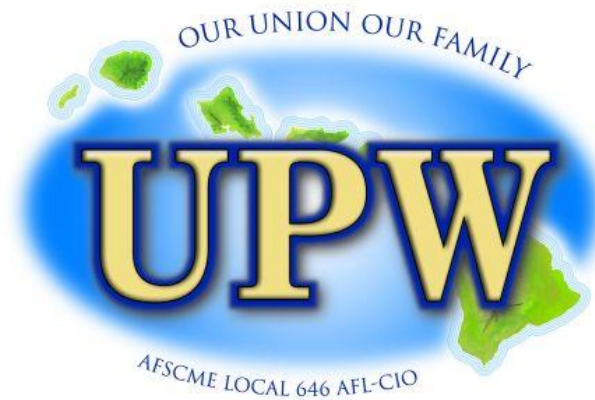
First, we strongly support the provision that mandates employee orientation for new hire employees. Most employees who join government service will have similar statutorily provided benefits from the Employees Retirement System and the Employer-Union Health Benefits Trust Fund; therefore it makes sense to ensure uniformity and consistency across jurisdictions. Additionally, Exclusive Representatives must represent every employee in a bargaining unit, regardless of the employee's membership status, so we feel it is appropriate for representatives to meet and discuss employees' rights and benefits as provided by their collective bargaining agreement.

Secondly, while we strongly support the creation and implementation of training programs to enhance professional development, we cannot support the specific provision that mandates all employees fund a program that they may not have access to participate in. We recognize that training programs need funding but it should not be the responsibility of the employee to pay.

Thank you for the opportunity to testify in support of employee orientations and with comments on the mechanics of the training fund.

Respectfully submitted,


for Randy Perreira
Executive Director



THE HAWAII STATE SENATE

The Thirtieth Legislature
Regular Session of 2019

Committee on Labor, Culture and the Arts

Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair

Date of Hearing: Tuesday, March 12, 2019
Time of Hearing: 2:45 p.m.
Place of Hearing: Conference Room 224

TESTIMONY ON HB845, HD1 RELATING TO EMPLOYEE TRAINING

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

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive bargaining representative for approximately 14,000 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 four counties. The UPW also represents about 1,500 members in the private sector.

HB845, HD1 establishes the public employees training program by allocating either 0.01% of each employees' gross salary, or an amount negotiated pursuant to collective bargaining, to the public employees' training program. The UPW supports the intent to train public employees but **opposes** the taking of employee wages for training that the employer is directly responsible to provide to the employee to perform his or her work efficiently, effectively, safely and in compliance with federal and state government laws.

Thank you for the opportunity to submit these comments.

