



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

**LATE**

Testimony of **Ford Fuchigami**  
Administrative Director, Office of the Governor

**Senate Committee on Labor, Culture and the Arts**  
February 7, 2019  
2:45 p.m., Conference Room 224

In consideration of  
**Senate Bill No. 1234**  
**RELATING TO THE OFFICE OF COLLECTIVE BARGAINING AND MANAGED  
COMPETITION**

Chair Johanson, Vice Chair Eli, and committee members.

The governor's office Supports **Senate Bill 1234 Relating to the Office of Collective Bargaining and Managed Competition** that transfers the office of collective bargaining, including the position of the chief negotiator, to the Department of Human Resources Development (DHRD).

We defer specific comments to testimony submitted separately by the Department of Human Resources Development.

Thank you for the opportunity to submit testimony.

DAVID Y. IGE  
GOVERNOR



RYKER WADA  
DIRECTOR

JASON MINAMI  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
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February 6, 2019

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

For Hearing on Thursday, February 7, 2019  
2:45 p.m., Conference Room 224

By

RYKER WADA  
DIRECTOR

**Senate Bill No. 1234**  
**Relating to the Office of Collective Bargaining and Managed Competition.**

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

The purpose of Senate Bill No. 1234 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.