

JOSH GREEN, M.D.  
GOVERNOR



LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
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  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
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

**WRITTEN ONLY**  
TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 161, H.D. 1

**February 27, 2023**  
**1:30 p.m.**  
**Room 308 and Videoconference**

RELATING TO COLLECTIVE BARGAINING

The Department of Budget and Finance (B&F) offers comments on this bill. House Bill No. 161, H.D. 1, amends Chapter 89, HRS, by changing the appointment process for the representative of labor on the Hawai'i Labor Relations Board by reducing the number of names provided by the exclusive representatives of labor from three names to one. The process to determine the nominee whose name is to be submitted to the Governor would be determined by a simple majority of the exclusive representatives certified pursuant to Section 89-8, HRS. The Governor would be required to transmit the name of the person nominated to serve as the representative of labor to the Senate for advice and consent no later than 20 days after submission of the nominee's name to the Governor, provided that, if the Governor fails to nominate the person whose name has been submitted by a simple majority of exclusive representatives in accordance with this paragraph, then the simple majority of exclusive representatives who recommended the person would be allowed to transmit the person's name directly to the Senate for confirmation.

B&F notes that reducing the number of nominees provided from three to one effectively removes any meaningful role by the Governor in the appointment process. B&F defers to the Office of Collective Bargaining as to the impact of this policy.

Thank you for your consideration of our comments.

**JOSH GREEN, M. D.**  
GOVERNOR  
KE KIA'ĀINA



**BRENNA H. HASHIMOTO**  
CHIEF NEGOTIATOR

**SYLVIA LUKE**  
LT. GOVERNOR  
KA HOPE KIA'ĀINA

**STATE OF HAWAII**  
**OFFICE OF COLLECTIVE BARGAINING**  
**EXECUTIVE OFFICE OF THE GOVERNOR**  
235 S. BERETANIA STREET, SUITE 1201  
HONOLULU, HAWAII 96813-2437

Statement of  
**BRENNA H. HASHIMOTO**  
Chief Negotiator, Office of Collective Bargaining

Before the  
**HOUSE COMMITTEE ON FINANCE**  
Monday, February 27, 2023  
1:30 PM  
State Capitol, Conference Room 308

In consideration of  
**HB 161 HD1, RELATING TO COLLECTIVE BARGAINING**

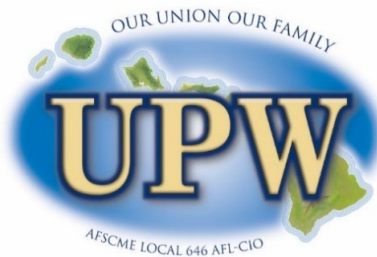
Chair Yamashita, Vice Chair Kitagawa, and the members of the committee:

The Office of Collective Bargaining (OCB) appreciates the intent of HB 161 HD1, which establishes that the representative of labor on the Hawaii Labor Relations Board be a person selected by a majority of the exclusive representatives of the collective bargaining units. However, we must respectfully oppose this measure.

OCB is concerned for the following reasons:

1. This bill diminishes the Governor's authority by compelling him to appoint a single individual identified by the exclusive representatives as a labor representative to the Hawaii Labor Relations Board.
2. Current practice is for the Governor to make an appointment from a list of three (3) nominees submitted by mutual agreement from a majority of the exclusive representatives.
3. We believe there is no compelling reason to limit the pool of nominees from three to one.

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



**HOUSE OF REPRESENTATIVES  
THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2023**

**Committee on Finance**  
Rep. Kyle T. Yamashita, Chair  
Rep. Lisa Kitagawa, Vice Chair

Monday, February 27, 2023, 1:30 PM  
Conference Room 308 and via Videoconference

**Re: Testimony in SUPPORT of HB161 HD1 – RELATING TO COLLECTIVE BARGAINING**

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents 1,500 members in the private sector.

UPW **supports** HB161 HD1, which establishes that the representative of labor on the Hawaii Labor Relations Board be a person selected by a majority of the exclusive representatives of the collective bargaining units.

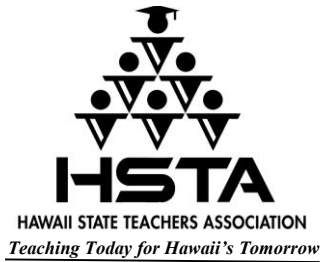
Under the current law, the exclusive representatives of labor have been able to provide input on the representative of labor on the Board, but the final decision is made by the Governor. The proposed legislation would help to establish that the exclusive representatives of labor’s interest and voices are reinforced when it comes to the Board’s labor representative.

Thank you for the opportunity to provide testimony.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kalani Werner', is written over a thin blue horizontal line.

Kalani Werner  
State Director



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819  
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Osa Tui, Jr.  
President  
Logan Okita  
Vice President  
Lisa Morrison  
Secretary-Treasurer  
Ann Mahi  
Executive Director

## TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: HB 161 HD1 - RELATING TO COLLECTIVE BARGAINING.

MONDAY, FEBRUARY 27, 2023

OSA TUI, JR., PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Yamashita and Members of the Committee:

The Hawaii State Teachers Association **supports HB 161 HD1**, relating to collective bargaining. This bill revises SECTION 1. Section 89-5, Hawaii Revised Statutes, to change the process of the selection of the labor representative on HTSB, as written in the language of this bill.

As the representative of management for the Hawaii Labor Relations Board is appointed by the governor, who first considers any names submitted by the counties; provided that each county may submit no more than one name; **the process should be similar for the representative of labor. We agree with HGEA that the mission of the HLRB is to fairly resolve labor disputes and enforce and protect the rights of unionized public employees and public unions to organize and bargain collectively in balance with the Employer's rights to manage operations.** HLRB is composed of three members - a representative of labor, a representative of management, and the chairperson who shall represent the public interest. **The Governor already appoints both the Management Representative and the Chairperson of the Board, thus granting the Governor significant influence over all three seats. The current process grants the Governor too much authority over an adjudicatory board in which the Governor, serving as the Employer, is often party. Currently, the Labor Representative is appointed by the Governor from a list of three nominees submitted by a majority of the Exclusive Representatives and must be confirmed by the Senate. Since decisions and rulings by the HLRB directly impact every unionized state and county government employee in Hawai'i, it is fair and reasonable to change this process to allow the Exclusive Representatives the right to collectively nominate our Labor Representative.**

**While this measure will not completely balance the scales of power between the Employer and the Exclusive Representatives, it will serve to ensure that the Exclusive Representatives' collective voice is strengthened.** Therefore, to ensure labor is represented as they should be in HLRB, the Hawaii State Teachers Association asks your committee to **support** this bill.



## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808 543.0011 • Fax: 808.528 0922

The Thirty-Second Legislature, State of Hawaii  
House of Representatives  
Committee on Finance

Testimony by  
Hawaii Government Employees Association

February 27, 2023

### H.B. 161, H.D. 1 — RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 161, H.D. 1 which establishes that the Labor representative on the Hawaii Labor Relations Board (HLRB) be selected by a majority of the Exclusive Representatives.

The mission of the HLRB is to fairly resolve labor disputes and enforce and protect the rights of unionized public employees and public unions to organize and bargain collectively in balance with the Employer's rights to manage operations. The HLRB is composed of three members – a representative of labor, a representative of management, and the chairperson who shall represent the public interest. The Labor Representative is appointed by the Governor from a list of three nominees submitted by a majority of the Exclusive Representatives and must be confirmed by the Senate, however the Governor also appoints both the Management Representative and the Chairperson of the Board, thus granting the Governor significant influence over all three seats. The current process grants the Governor too much authority over an adjudicatory board in which the Governor, serving as the Employer, is often a party. Since decisions and rulings by the HLRB directly impact every unionized state and county government employee in Hawai'i, it is fair and reasonable to allow the Exclusive Representatives the right to collectively nominate our Labor Representative.

While this measure will not completely balance the scales of power between the Employer and the Exclusive Representatives, it will serve to ensure that the Exclusive Representatives' collective voice is strengthened.

Thank you for the opportunity to testify in strong support of H.B. 161, H.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director



STATE OF HAWAII ORGANIZATION OF POLICE OFFICERS  
" A Police Organization for Police Officers Only "  
Founded 1971

February 24, 2023

**VIA ONLINE**

The Honorable Kyle T. Yamashita  
Chair  
The Honorable Lisa Kitagawa  
Vice-Chair  
House Committee on Finance  
Hawaii State Capitol, Room 306, 435  
415 South Beretania Street  
Honolulu, HI 96813

Re: **HB 161 HD1 - Relating to Collective Bargaining**

Dear Chair Yamashita, Vice-Chair Kitagawa, and Honorable Committee members:

I serve as the President of the State of Hawaii Organization of Police Officers (“SHOPO”) and write to you on behalf of our Union in strong **support** of HB 161 HD1, subject to it being effective upon approval as originally proposed. This bill would amend HRS § 89-5 to ensure that the public employee unions and their labor interests are at all times competently and fairly represented on the Hawaii Labor Relations Board (“HRLB”) by a representative of their choice. Other than making technical, non-substantive amendments for the purposes of clarity, consistency and style, HB 161 HD1 changes the effective date to June 30, 3000 to encourage further discussion.

The HLRB is composed of three (3) board members who represent three distinct interests on the board, i.e., labor, management and the public. Unlike other boards and commissions, the respective board members on the HRLB are specifically designated by the interests they statutorily represent on the board. There is a “representative of labor,” “representative of management,” and a “representative of the public” who also serves as the board’s chairperson.

The HLRB is the venue where the public unions and employers seek redress and resolution of various types of labor disputes and issues. Thus, it is imperative that the “representative of labor” serving on the board, which decides cases by majority rule, is a person who is effectively representing labor, competently discharging his/her duties, and is the public unions’ choice to serve as our representative.

The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice-Chair  
February 24, 2023  
SHOPO Testimony Page 2

**Re: HB 161 HD1 - Relating to Collective Bargaining**

Contrary to OCB's assertion that this bill would somehow diminish the governor's authority to appoint the labor representative, the bill maintains that the governor will continue to select the labor representative but provides a time frame in which the governor must act. Placing time limits on the governor decision ensures that the executive branch will act expeditiously so that the unions have their representative appointed and sitting on the board in a timely manner. If the governor fails to act, the bill provides that the unions will have the option of transmitting the name to the Senate for confirmation which will avoid the consequences of a situation where the governor sits on a nomination for a prolonged period of time leaving the unions without a representative on the board. In addition, OCB seems to forget that the labor representative is the union's choice and is selected by the unions and not OCB. Whether it is one name or three names, the labor representative should be the unions' choice and for the unions to decide because at the end of the day the labor representative is the person the unions want representing them on the board.

By allowing the public unions to select their labor representative by a simple majority, HB 161 HD1 will ensure that the public unions' labor representative on the HLRB is truly their choice and selection just as the employer's representative on the HLRB is the employer's choice and selection. We thank you for allowing us to be heard on this very important issue and hope your committee will unanimously support this bill and allow this bill to take effect upon its approval.

Respectfully submitted,

ROBERT "BOBBY" CAVACO  
SHOPO President