

## FORTY-SIXTH DAY

Friday, June 26, 2020

The House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2020, convened at 12:03 p.m., with Speaker Saiki presiding.

The invocation was delivered by Representative Ty J.K. Cullen, after which the Roll was called showing all members present, with Representatives DeCoite, Har, Lowen, Matayoshi, McKelvey, Perruso, Quinlan, and Thielen participating remotely via videoconference, and with the exception of Representative Cabanilla Arakawa, who was excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Forty-Fourth and Forty-Fifth Days was deferred.

## ORDER OF THE DAY

## SUSPENSION OF RULES

On motion by Representative Morikawa, seconded by Representative Matsumoto and carried, the rules were suspended for the purpose of considering certain Senate Bills for Final Reading by consent calendar. (Representatives Cabanilla Arakawa and Hashem were excused.)

## UNFINISHED BUSINESS

## Conf. Com. Rep. No. 1-20 and S.B. No. 126, SD 1, HD 1, CD 1:

Representative Belatti moved that the report of the Committee be adopted, and that S.B. No. 126, SD 1, HD 1, CD 1 pass Final Reading, seconded by Representative Morikawa.

Representative Luke rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support of Senate Bill 126, which is some of the additional amendments to the state budget bill, amendments to the Judiciary bill, and allocation of the CARES funding. We just wanted to thank all the members and my Senate counterpart for their hard work. We wanted to thank our staff, and I know especially HMSO was short staffed and was working at home, we just wanted to thank HMSO and their hardworking staff for helping with this bill.

"We also wanted to thank the departments. I know at some point it got really complicated to figure out, okay what are certain sections that need to go into effect on June 28th compared to June 30th and December 28th. And I know that we made it very challenging for them at times, but we just wanted to thank everyone who put this bill together.

"As you know, there has been a lot of discussion about this bill. The main part I wanted to highlight is for the budget bill, this reinstates many of the position counts within the various departments. I know both the departments and the members have asked, okay what happens to those positions that have been filled that may not have the funding attached to it. And so, what we have also indicated to the Governor and Budget and Finance is that the best way to handle these situations is make a request to Budget and Finance, and they're also sorting through that. This has been a very complex and complicated process to take care of the budget, during a very hard economic time.

"In addition to that, after we recessed last month, we spent a lot of time as members and along with the community, and I know Speaker's COVID Committee has worked a lot from March until now to deal with some of these issues. So, we just wanted to thank you, Speaker, for your work on the COVID Committee, because a lot of the information that we got on the CARES allocation came from the suggestions out of your committee, especially the rent subsidy portion. I think that was something that, repeatedly, that your committee members and the members in the public thought that something that the State should take care of.

"I think even now the City & County has allocated some funding, but that in itself is insufficient. So, the fact that we are setting aside a significant amount in the amount of close to \$100 million to take care of rent subsidy

and rents for household members, taking care of about 37,000-plus members of the household is by far the most significant thing that we can do.

"In addition to that, continuing to take care of the unemployed population, we worry about what's going to happen, especially since there seems to be no agreement between Congress and the Senate, that we do not think, and this sentiment is shared by many of the states as well, state legislatures as well, that we do not think that there will be an agreement anytime soon. So, we continue to worry about the impact on our residents. So, because of that, a significant amount of funding has been allocated for unemployment benefits.

"One of the things that we do want to highlight is that we are setting aside \$100 million for personal protective equipment, and disinfectants, and cleaning supplies for the very entities that need help, including non-profits, small businesses, childcare industries, elderly care homes. This has a lot of significant help that is needed in the community. So, let me just take another time to just thank everybody for your help. Thank you."

Representative McDermott rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I stand in support. I support this measure, Mr. Speaker. I'd like to insert comments in the Journal and would just like to note that we all are impressed with the hard work the Finance Chair does, particularly in these times. So, thank you very much, Mr. Chair."

Representative McDermott's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of this bill with the following comments.

"We have reconvened this body after a second recess to resume important legislation to alleviate the economic pain caused by the COVID-19 pandemic. This bill is one of the key pieces of that legislation because it allocates the federal CARES money to assist in that effort. While I support the bill, I have a few areas of concern that I would like to address.

"First, the amount of funds going to the Hawaii Emergency Management Agency for the purchase of personal protection equipment seems excessive at \$100 million. We have the lowest coronavirus rate in the state and hospitals currently have the needed equipment. Yes, we are likely to see an increase in COVID-19 cases once we reopen for tourism, however, with the quarantine and testing protocols in place there should not be a surge of cases that justify spending that amount of money on personal protective equipment. That money could have been better used by providing additional unemployment foods, food support, or rent relief which are all needed desperately right now.

"I would also like to comment on the \$36 million going to Hawaii Works to aid small businesses and innovation, diversification of the economy by providing money to small businesses, job training and the like. In normal times I would be in support of these items, but these are not normal times. The \$36 million spent is estimated to eventually create 2,000 to 4,000 jobs. These jobs will not be created soon. It takes years for programs like these to pay off by providing jobs. This 'help' is not only nowhere near immediate, it also seems like little bang for the buck. Again, the money would be better spent serving the immediate needs of our community, like food and housing.

"I am also very disappointed that out of the over \$600 million provided by the CARES funding, only \$5 million is going to food assistance to help families falling through the gaps of other safety nets. The lineup of thousands of cars at Aloha Stadium for the free food packages should tell us that \$5 million is not nearly enough! Even when tourism begins to ramp up, it will take years for most of the state's jobs to return. People are going to need assistance for the long-run as this is not a short-term crisis.

"My last comment is that we are raiding the hurricane relief fund during hurricane season. The last few seasons have brought damage on the neighbor islands, and although Oahu has not been hit, we are way overdue. It is not prudent to raid the hurricane relief fund. Thank you, Mr. Speaker."

Representative Matsumoto rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Matsumoto's written remarks are as follows:

"Thank you, Mr. Speaker. I am standing in support of this measure with a few comments.

"Hawaii's economy has faced a significant downturn since the COVID-19 pandemic began. There has been a decline in spending, mass unemployment, and even pay cuts for many workers. Tourism, the state's primary source of income, has dropped by nearly 99% since last year. The people of Hawaii are looking to us, as legislators, to find a solution and initiate the rebuilding of our state's economy. This measure allocates funds received from the Federal Government pursuant to the CARES Act. Said funds have been distributed amongst multiple agencies and divisions within the state to provide a diversified approach to stabilizing our economy and helping protect our residents.

"The Hawaii Emergency Management Agency will receive \$100 million for personal protective equipment (PPE) purchasing support. The PPE is intended to be utilized at childcare facilities, schools, elder care facilities, small-businesses, and non-profits. This protective gear will help in keeping our *keiki, kupuna*, teachers, workers, and volunteers healthy and safe. Hawaii has stepped up in mitigating the COVID-19 crisis and as many individuals are returning to work, daycare centers are reopening, and the start of school is upon us, we need to be proactive in continuing to slow the spread of the virus.

"In contrast, providing only \$5 million for food assistance to the many families that have been severely impacted by the ongoing crisis is not enough. Due to the overload of the state's unemployment systems, and the sudden influx of claimants, many people have been forced to wait weeks, sometimes months, for their unemployment checks to be available. Without jobs, money, and adequate support from others, individuals are stuck in a difficult place. Thank you, Mr. Speaker."

Representative Ward rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'd like to add kudos to the Chair of Finance, however I have reservations, I have small reservations. Basically, this divides the CARES money into different allocations, which is wise and well taken. I think we're going to spend the fed's money very well. Hopefully we won't have to borrow much more to get out of this.

"My concern, Mr. Speaker, is a concern that I've spoken on this floor before and that is screening at the airport. Two issues with screening at the airport. First of all, we're going to do facial recognition. I don't think that's necessary, I don't think that's the American way of following in facial recognition. And they say, well it's going to only last for 30 minutes and we're going to get rid of it. I think that part of the bill, we should probably put a rider and say, look if you're going to do facial recognition, don't have any recording of it whatsoever, other than at the time that you do it. It's all about temperature, it's not about following people around.

"The second issues, Mr. Speaker, is related to that. Because of the facial recognition, one of the bidders, of which today the bid closes, is actually touting its major client as the Chinese PLA, People's Liberation Army. It sounds a little bit like Huawei. I think the Chair of Finance needs to look at, we as a body need to look into that. I don't think we want to have that proximity that close to what otherwise could be a future difficulty.

"So, with those two reservations, Mr. Speaker, I think what we're doing for the COVID money is well done, but how we're spending it at the airport is probably questionable with facial recognition. And the omission of this, and I hope the money is available in other places, for the pre-testing, or the pre-travel COVID-19 test for people arriving here so we can open our economy, it never mentions any of that. And I've spoken many times, because that is the biggest need for funding, whether it's to subsidize the airlines or whoever is going to pay for those tests, or help with the quarantine. That stuff is still a little bit out there. And I know we have a bill coming up, probably next week.

"But, Mr. Speaker, what we have here is a bill that's probably going to usher in big brother with facial recognition and then possibly somebody with a Huawei kind of association, which I don't think we need at the airport at all. Thank you, Mr. Speaker."

Representative Okimoto rose in support of the measure with reservations and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Okimoto's written remarks are as follows:

"Thank you, Mr. Speaker. In support with reservations for Conference Committee Report No. 1-20, Senate Bill No. 126, SD 1, HD 1, CD 1. I am happy that this bill provides additional relief beyond July 31, 2020 for those who are out of work. We upheld our commitment to return to work and appropriate the CARES Act funds provided by the Federal Government to help the people of Hawaii. My reservations are specific to Part XIV which would allow up to \$90 million of CARES Act funds to be used for airport screening and health assurance security initiatives. I support thermal imaging to check temperatures but have concerns that this money could be used for facial recognition technology. I am also concerned that this bill provides many exemptions from the State Procurement Code. For these reasons, I stand in support with reservations."

Representative Belatti rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support with just some brief comments. Mr. Speaker, I want to thank all the chairs and Finance members and our counterparts who worked on this, and also the administrative agencies that assisted in helping us think through many of the immediate relief packages that we put together.

"But I want to make a point here. Mr. Speaker, the responsibility of the Legislature is to allocate and appropriate. But really the next hard step is to ensure that the administration acts upon this in a timely way so that these much-needed funds are going to be getting out to the people who need them. And I really encourage the respective agencies to heed that call because our members in the community will need that.

"To add, with respect to the \$90 million towards airport screening and health assurance security initiatives, this is going to help support the multi-layered approach that's going to be coming to allow us to be able to safely open up borders to transpacific travel. So, again, this is something that the executives will have to take the lead on and move expeditiously. I have my concerns as we continue to see the number of positive cases increasing, but we put our safety, our economy in the hands of our executives. Thank you, Mr. Speaker."

Representative Aquino rose to speak in support of the measure, stating:

"Strong support, written comments."

Representative Aquino's written remarks are as follows:

"In support of SB 126, CD 1. Mr. Speaker, I would like to thank both WAM and FIN chairs, their staffs, and the members of the committees for the work they did in this measure. There are specific areas that I would like to highlight as it pertains to the Department of Transportation and the needs they have to address our current and future situations in dealing with a pandemic.

"A total of \$90 million in CARES funding will support our airports as we prepare for the upcoming opening to more travelers to Hawaii. The funding will provide thermal and security systems for screening purposes, web-based verification to improve deplaning efficiency, verification and testing facilities and further testing capabilities. These are all necessary to ensure we can keep our residents and visitors safe and healthy.

"In addition to the support for our front line personnel and facilities, other areas of great importance that will benefit and keep Hawaii residents safe are funding infusions for PPE for healthcare and childcare facilities, schools and businesses through HIEMA, grant resources to enhance our PPE supply chain and resources, business development programs to help employees in the private sector, support for our vulnerable populations through food and

rental assistance, helping high school graduates with counseling and services, and providing additional benefits for the unemployed.

"*Mahalo* again to the money committees for their work to support our communities as we move forward together. *Mahalo*."

Representative Mizuno rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. I wanted to address some of the concerns from the good Representative from Hawaii Kai regarding facial recognition. I actually understand what he's saying, and I'm concerned about civil rights myself. But at the end of the day, this is not about control, it's about safety.

"I don't know if I'll have an adequate answer to explain to someone that their loved one lost their life to COVID-19 when we could have found out about that at the screening at the airports. So, I don't know if I'll ever have an adequate answer for that person. I do know this though, we do have the right not to be infected by COVID-19 or other pandemics. And so, I think this ends up being a balancing test.

"So, I am all about civil liberties and civil rights. At the same time though, this is about life. For those reasons, I support the measure and facial recognition if it does go into this layer of protection. Thank you, Mr. Speaker."

Representative Cullen rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Cullen's written remarks are as follows:

"Mr. Speaker, I stand in strong support of S.B. No. 126. As a state, we continue to work through this pandemic and we are currently reminded daily of the challenges we face as we continue to open up more services for the public and the COVID-19 positive count continues to increase. This measure funds many areas of government that continue to balance our state opening up to this new normal, while protecting the health and safety of our residents.

"One of the areas I want to highlight is the \$90 million allocated to improve airport screening and health assurance security initiatives. During our site visit to the Daniel K. Inouye International Airport, I have seen the challenges we face as we prepare to open up more as a state to travelers, and providing more screening at the airports is crucial to protecting public health.

"The other area of the budget I wanted to highlight is the \$5 million allocated for community food drops, as I have been participating in our community and see firsthand how important this is as it provides a safety net needed to keep families fed during this very unprecedented time. Thank you."

Representative Ward rose to respond, stating:

"Mr. Speaker, brief retort, with reservations, a response to the good Representative from Kalihi. The issue is not allowing anybody to get COVID. The issue is, is this necessary to keep the image of the facial recognition. It's part of the RFP, it's something, which by the way, we are following the Alaska model. Alaska doesn't do that in their opening their areas, Tahiti and other places that are going to put quarantines.

"The whole issues is, and as I said yesterday, we've all been playing big brother. It's communist dictator for the day. You can do this, you can't go there, this is too big of a group, you can't do that, and if you go there you've got to wear this. Mr. Speaker, this kind of fits into that mode. And as I said, one of the bidders in this contract has the Chinese army as their major client. So, put the dots together and say, is this the best thing that we want to do for the State of Hawaii? Do you want people to know that the contractor there is one of these people?

"And look, and I don't have any horse in this race, but I do know that we want to make Hawaii the safest place and we want to do it correctly. And facial recognition, I don't think is going to up the catch rate, if you will, especially if you've got all of these millions of dollars of thermal scanners there, how it's going to make really a difference rather than the implied big

brother that it flows from, and many parts of the US will find totally unacceptable.

"And by the way, I'm not a member of the ACLU, I'm not carrying any of their water. But I know that's the stance that they are taking, and they'll probably put us into the courts if we proceed as we are presently. For those reasons, Mr. Speaker, we want to save lives, we want to do it correctly without too much infringing upon the rights of our people. Thank you."

Representative Luke rose to respond, stating:

"Thank you, Mr. Speaker. Still in support. I just wanted to make it clear to the members that this bill does not have anything to do with face recognition screening. This specifically states that it's a thermal scanner to address people's temperature. Thank you."

Representative San Buenaventura rose to speak in support of the measure, stating:

"I stand in support. I thank Chair of Finance for working very hard on this. My only concern would be that there are no separate allocations for the mom and pop care homes. And it's definitely not the Chair of Finance's fault, but we had no moneys allocated for the PPE for the mom and pop care homes on this. And hopefully next session we would be able to help them out. Thank you."

At 12:22 p.m., Representative Ward requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:28 p.m.

Representative Say rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Belatti rose to respond, stating:

"Thank you, Mr. Speaker. Just quick clarification on the distribution of PPE. I just want to point out that the language in the bill is broad enough to include those facilities that the Representative from Puna identified. Thank you, Mr. Speaker."

Representative Ward rose in support of the measure with reservations and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations due to the lack of COVID-19 testing mentioned in this bill. The State is spending \$90 million to implement facial recognition technology at our airports, yet we put that money towards these requirements?

"The House Committee on Judiciary is hearing a bill that will allow for facial recognition; I have not yet seen a bill even mentioning mandatory testing for travelers coming to our islands. It seems that our priorities are out of sync.

"I would like to reference the study published by UHERO and the East-West Center, which found that temperature screenings only remove one third of infected passengers from entering Hawaii. It further finds that COVID-19 testing of passengers removes 80% to 90% of infected individuals. ([https://uhero.hawaii.edu/wp-content/uploads/2020/06/PreventionOfTravelRelatedReintroductionCOVID19StateOfHawaii\\_06092020.pdf](https://uhero.hawaii.edu/wp-content/uploads/2020/06/PreventionOfTravelRelatedReintroductionCOVID19StateOfHawaii_06092020.pdf))

"I am once again referencing 'Making Hawaii Safe for Travel,' co-authored by the Representative from Ewa Beach and I that was submitted to the House Select Committee on May 18th (<https://www.capitol.hawaii.gov/committeefiles/special/COV/Document/Legislative%20Proposals/05-18-20%20Rep.%20McDermott%20Making%20Hawaii%20Safe%20For%20Travel.pdf>). The framework would mandate COVID-19 testing for incoming travelers 72-hours before arrival. I believe this plan lies squarely within the findings of the study produced by the University of Hawaii. *Mahalo*."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 126, SD 1, HD 1, CD 1, entitled: "A

BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Final Reading by a vote of 49 ayes, with Representatives Okimoto, Say, and Ward voting aye with reservations, and with Representatives Cabanilla Arakawa and Wildberger being excused.

**Conf. Com. Rep. No. 2-20 and S.B. No. 785, SD 1, HD 1, CD 1:**

Representative Belatti moved that the report of the Committee be adopted, and that S.B. No. 785, SD 1, HD 1, CD 1 pass Final Reading, seconded by Representative Morikawa.

Representative Wildberger rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With robust reservations, please. I'd like to insert comments into the Journal. Thank you."

Representative Wildberger's written remarks are as follows:

"Collective bargaining nuance notwithstanding, I cannot, in good conscience, support offering raises to this collective bargaining unit, on the backs of the tens of thousands of unemployed and displaced workers. The irony of state taxes coming out of unemployment checks, from those lucky enough to get them and while thousands wither with no compensation or income at all, to pay for raises for state workers incredibly fortunate to continue to work and get paid during this unprecedented pandemic, demonstrates an incredible level of disfunction of our government systems. Deferring raises until a later time keeping the promise of the contracts would be a more reasonable route. This simply sets the stage for furloughs and layoffs."

Representative McDermott rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I am going to be voting no. I would like some comments in the Journal and brief remarks, Mr. Speaker. This legislation poses a painful dilemma for us all because the timing is unfair to these public employees covered by this bill who have followed the rules, bargained in good faith, and deserve an increase in their compensation. Six months ago, we would have had little or no debate. In fact, in the past I don't think I've ever voted against a collectively bargained pay increase.

"But today, Mr. Speaker, our future is uncertain. It's quite surreal, in fact. We don't even know what's going to happen next week, let alone next month. Despite the good efforts of your office and the administration, where our future is going to be depends a lot on the return of the visitor industry, and we just don't know how it's going to play out yet.

"So, the question is, how can we, in good faith, commit to spending \$150 million when we're facing a potential deficit of \$2.3 billion? The prudent policy would be to defer these until a date later. I just can't in good faith vote for a raise when we have people out of work. When we have people, literally driving in from Ewa Beach you see 2,000 cars lined up at the stadium going to the Food Bank. I understand the technicalities of how we arrived here, but the optics to the man on the street looks terrible. It just looks terrible.

"At the same time, this is unfair to those hardworking union members, many of whom are first responders, who do most of the live and the die and the sweat in our community. They're the nurses who are there for us. And it's unfair to them not to give them their hard-earned raise. And I have a lot of empathy for them.

"This is a tough vote for everybody here because the timing of the vote. The timing of the vote, Mr. Speaker. I wish there was a way we could defer the time/date to vote on this, but there's not. So, I'm going to vote no for those reasons, Mr. Speaker. And I thank you for your time. And that's no way a reflection upon these hardworking members, it's just the financial uncertainty that we face today. Thank you, sir."

Representative McDermott's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in opposition of S.B. No. 785, SD 1, HD 1, CD 1 with the following comments.

"I believe it is fiscally irresponsible for the Legislature to approve pay raises for state employees while private businesses and individuals have lost months' worth of profits because they complied with state mandated closures and reopening limitations. What kind of signal are we sending? The way I see it, the message is, don't risk being an entrepreneur or business owner that creates true value in the community because you can be arbitrarily closed by the state and go broke. Instead, shoot for a government position, where you will not only get paid but you'll get a raise no matter what bad things happen in the world.

"I'm not saying our government employees aren't important and don't contribute massively to our lives, they do. I benefit daily and couldn't do the job I do without countless others showing up to work every day. But, government employees are supposed to be 'public servants,' and right now all of us need to start taking a hard look at how we are spending the public's money. Just a few weeks ago the Legislature was scraping money together to prevent the Governor from cutting wages or making furloughs. We have borrowed billions over the next year. How do we have money for these raises?

"Also, there is an argument being made that the Legislature shouldn't vote against this bill because it sets a bad precedent. The claim is that by voting against these appropriations we involve the Legislature in collective bargaining normally done between the executive branch and employee associations. Normally this is a good policy and passing these appropriations is purely an administrative task for the Legislature. But, today is not a normal day. We are in the middle of a global pandemic, unemployment is at an all-time high, revenue projections across the state are in nose dives, and the Legislature just authorized exceeding the constitutionally allowed debt limit by 11% for the next fiscal year. I think it's a terrible time for pay raises.

"As a matter of fact, state law charges the Legislature with the responsibility of being involved in this way. Hawaii Revised Statutes 89-10(b) reads '...If the state legislature or the legislative body of any county rejects any of the cost items submitted to them, all cost items submitted shall be returned to the parties for further bargaining.' The only bad precedent we are in danger of setting here is that it's acceptable for the State to operate on debt.

"I especially want to draw attention to Bargaining Unit 7 – University of Hawaii and community college faculty – and Unit 14 – State Law Enforcement Officers and State and County Ocean Safety and Water Safety Officers. In mid-March, before the Legislature closed due to the pandemic, these units were not being appropriated anything. Their units were being considered in bills HB 2305 and HB 2309, respectively. However, in this current bill, which brought several bills into one single document, these units have been appropriated over \$15 million between them. Again, where did the money for this come from?

"I appreciate all the hard work our government employees do, and I think they are great for showing up to work every day. But, giving state employees raises while forcing private businesses to take on debt and lay employees off is unacceptable. Additionally, the state's financial future is in dire straits. Conducting business as usual is fiscally and morally wrong. Thank you, Mr. Speaker."

Representative Johanson rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support. We definitely don't take up this bill lightly today. We're certainly in the most difficult of times and I think we all know that. And although the timing is very difficult, there are many reasons to support this measure and I intend to explain why this bill matters, not just to all public sector union members in the Legislature, but more fundamentally why this bill matters to everyone in the general public.

"I acknowledge that this is a very difficult time to be forced to fund the contracts negotiated by the Governor. It cannot be emphasized enough that this bill is the result of negotiations and binding arbitrations that have concluded. By sending the messages down to the Legislature, the Governor has triggered today's actions.

"The Legislature has always funded the contracts and awards negotiated by the Governor as a procedural matter. The Legislature is not party to these negotiations, nor should it be. Not passing this bill sets a dangerous

precedent for all future public sector negotiations because it inserts the Legislature into the collective bargaining process.

"Setting this precedent of greater legislative intervention in the negotiating process is a pendulum that I would point out swings both ways. Those who advocate rejecting this bill because they hope that it will save money or because it is too much may not realize that such a move makes it easier for the Legislature to also intervene and reject negotiated awards when the Legislature feels that the award is too small or not generous enough in the future.

"This creates a precedent of using the Legislature as a second front in collective bargaining when either party doesn't like the outcome of settled negotiations. This is why the Legislature should not engage in greater intervention. It is best left to the Governor and the unions to hammer out the contracts and to abide by them. There are broader future labor policy implications than this present decision and award.

"Most importantly though, this bill matters to union and non-union workers alike, to children, to seniors, and to everyone in the general public. It's very easy to talk about this legislation in vague generalities and to see government as a faceless entity. Permit me though to talk about those whose contracts this bill funds. They're the epidemiologists doing COVID-19 contact tracing, making sure that the virus doesn't spread. They're the public school cafeteria managers providing free meals to hungry students during the shutdown and this summer break. They're the workers ensuring our most vulnerable populations receive their public assistance benefits like welfare and SNAP. They're the educators who make distance learning possible for students of all ages during this pandemic. They're the nurses providing health care at facilities and hospitals across all counties. And they're the hundreds of volunteers and unemployment insurance workers ensuring that the over 150,000 people-plus continue to get paid their much needed unemployment benefits.

"These essential workers, and the many more that I haven't mentioned, ensure that the critical services all of Hawaii's people rely on are provided when times are good, but more importantly when times are bad. They are the essential workers who have risked their lives and their families' lives going to work each and every day during the shutdown. Even when a pandemic strikes and society shuts down, the very workers relying on the negotiated and arbitrated funding in these contracts work to keep all of us safe and cared for.

"They're not just essential workers, they are the social safety net. And it is this social safety net that has quite literally kept the entire State of Hawaii afloat during this unprecedented crisis. I believe that Hawaii can and will recover from this pandemic. But it will only do so with an intact social safety net.

"Many in the public are having such a difficult time making a go of it right now. But they will have an even harder time without these workers and their efforts. Undermining these workers and the social safety net by not passing this bill risks effective delivery of critical services and risks prolonging or worsening our economic troubles. The contracts that this bill pays for not only ensure the preservation of the social safety net, but also a faster recovery for Hawaii.

"So, although this is a difficult time to consider funding these negotiated awards, let us remember that when times are normal, we utilize government services without a second thought. But in times of pandemic, like now, we disproportionately need and depend on these essential workers that no one should take for granted.

"It is specifically with people who are currently struggling in mind, those who are unemployed, those who are on public assistance, the business owners hoping for a healthy and open economy with less risk of COVID-19 spread, that I cast my vote in support of this bill. I ask my colleagues and this body to support our essential workers, and in so doing more effectively support all of our constituents and Hawaii's people. Thank you."

Representative Morikawa rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support, and I'd like to use the words of the Labor Chair as if they were my own. Thank you," and the Chair "so ordered." (By reference only.)

Representative Ward rose to speak in opposition to the measure, stating:

"Mr. Speaker, with a heavy heart, for the first time ever, as far as I can tell, I'm going to vote against a collective bargaining bill. Like most of us here, we've never had this situation. And contrary to what the former speaker has said, we don't want to take money out of anybody's pay raises, we want to make sure the pay raises are there. We want to make sure that they are negotiated, that they're solid.

"But the payout, the timing of it, that's the issue, Mr. Speaker. It's like what we did in the 2008 recession. It was a payroll lag. Well this could be maybe a collective bargaining lag. But nobody should be left out and given their due in terms of how much money they have.

"Mr. Speaker, I'm going to paraphrase what came out of the Star-Advertiser this morning. I'll quote from it, I'll paraphrase it, but it says a lot to the people of Hawaii, and it starts like this. 'Normally in Hawaii politics, elected officials would do anything to avoid upsetting the public employee unions during an election year. But there's nothing normal about this election year, and old rules don't apply neatly. We're in a pandemic, something that hasn't happened with quite this global effect in a century. It has crushed the local economy, more so than in most other states. Thousands have been thrown into unemployment and, to cap off this miserable period, lawmakers will have a budget hole of \$2.3 billion,' possibly even more, Mr. Speaker.

"The reason I say that is, recall the GET tax is 50% of our budget, withholding personal income tax is 25% of the budget. And we will not know what comes into the coffer until July 15. Everything got postponed from April 15 to July 15. So, I think we're kind of guessing how big this budget hole is.

"The editorial goes on from the Star-Advertiser to say, 'this is not the time for a pay raise,' and then I emphasize, 'for anyone.' Mr. Speaker, what did we do for legislators' pay raise? We didn't get it. We kicked the can down to next year. We time framed it, time sequenced it, cash flowed it, Mr. Speaker. We're at a deficit and cash flow is a very, very important mechanism by which we should use.

"What we have is an increase for public workers to the cost of \$150 million. And this is the final vote that we are taking today. This is going to be for the fiscal year. Not something, as the Chair of Labor said, that it's about saving, it's not about saving money or giving too much money, it's about postponing distributing the money. That's the way of framing the issue, Mr. Speaker.

"The issue of equity and fairness has arisen. But the operative question is, what is fair, versus the question that it should be, what is the responsible thing to do? Mr. Speaker, the ultimate arbiters of what we decide today are the people out there that we don't see right now. They're the arbiters of whether we're doing the right thing or the wrong thing. So, it's not what is fair, it's what is the responsible thing to do when you are in a pandemic?

"To begin with, the financial fortunes of the state are anything but certain. There could be more losses in tax receipts, making the budget hole even bigger.' As I said, the GET tax and the withholding is 75% of our budget. Those, because of a shutdown economy, are really in desperate condition.

"Of course, 'more federal aid may come to help states balance budgets, but that's not settled. What is entirely possible is that, as revenues decline further, some union members could face furloughs. The allotment of \$150 million could be used to forestall some of that.'

"So, Mr. Speaker, we may be making it worse for our workers rather than better. Furloughs is an anathema and we know what happened with those who backed it in the previous recession.

"Lawmakers are eyeing a \$2.1 billion federal cache to borrow from, but incurring extra debt for raises should not be preferred.' In other words, Mr.

Speaker, if they're saying we're going to borrow the money in order to pay raises, that's even a double no-no.

"I guess the bottom line is this, and they say this, and I think it was referred to by the good Representative —"

Representative Matsumoto rose to yield her time, and the Chair "so ordered."

Representative Ward continued, stating:

"Thank you, Representative. For my colleague from Ewa, this is the Advertiser not him talking now. 'Lawmakers should at least postpone a vote on the bill until further options are explored. Waiting until the 2021 session may be wise.'

"Mr. Speaker, there'll be a lot of clarity about what is going on in the economy, even UHERO says 75% of our economy will be open by December. And those of you who believe that the economy is going to take five or six years, don't believe it. When Bali got bombed in 2002, it took one to two years to go back and set records. So those who are saying, oh our economy is not going to go back, that is nonsense, don't believe it. Just look at the Bali where it's even more threatening than the COVID.

"Mr. Speaker, I know President Kouchi said that we'll all have to be accountable for the choice we make, and that's for all of us. But I would say this last to my colleagues, ladies, and gentlemen, vote your conscience, as always leadership tells you to do, but remember this. We're broke, we're out of work, and we're hungry. For those reasons, Mr. Speaker, this is not the bill for the timing issue that is now on the floor. For those reasons, Mr. Speaker, I vote no. Thank you."

Representative Belatti rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support, real brief comments. Mr. Speaker, I appreciate all the words that were said before. I would like to have the words of the Labor Chair adopted as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Belatti continued, stating:

"And I would like to say that there is no good timing on this. The responsible thing to do now is to establish some certainty for our government employees. The responsible thing to do now is to listen to the advice of UHERO which said, enacting severe cuts and furloughs would only further spiral us downward and not move us towards economic recovery.

"This measure, in addition to the measures that we've done with the budget bill, in addition to what we've done with the CARES Act, in addition to what we did in May of this year, puts together a series of bills that stabilize our economy. We are going to have to look forward to the coming months to see what the revenues are. And it will be for the next Legislature to continue to set in place those pieces to allow us to move forward with economic recovery. But to not fund these raises is not the responsible thing to do. Thank you, Mr. Speaker."

Representative San Buenaventura rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I stand in support with reservations. At the time when these collective bargaining agreements were negotiated, the state had the lowest unemployment. Council and state revenues were showing huge positives. Now we are the state with the highest unemployment.

"There is nothing in the bill that guarantees we won't be furloughing people. And I certainly do appreciate the remarks of our Labor Chair and the work that our Finance Chair has done with this bill. Being a lawyer, I know we are stuck with the agreements we have made, but I do have strong major concerns that we are on the path of furloughing. And for those reasons, I stand with reservations. Thank you."

Representative Kitagawa rose in support of the measure and asked that the remarks of Representative Johanson be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Say rose to speak in support of the measure with reservations, stating:

"Thank you very much, Mr. Speaker. I'm in support with reservations. I am in support because the unions followed the rules and laws and negotiated in good faith and got two binding arbitration awards and five mutual agreements. These state and university workers attended to work for over two years without a contract and have earned their pay. For that, there is no doubt that retroactive compensation is included.

"But for all of us, up until March 2020, no one questioned the fairness of a small pay raise. This all changed drastically when the world was forced to recognize COVID-19 global pandemic and Governor Ige issued his mandatory shutdown and stay-at-home orders. Innocent state workers, like all Hawaii residents, are simply caught up in this firestorm of this global pandemic and are bearing a high price for the process that started in good faith last year. Abiding by the law, following the rules, should mean something and it should come. Funding for these workers' small pay raises is fair and demonstrates we are a nation of law, and not men.

"Mr. Speaker and members of the House, my reservations are these. Hawaii has the highest unemployment rate in the nation. About 220,000 are still unemployed. Most hotels will probably open in two months or longer. One fourth of our restaurants may not reopen, or if they do, only half the number of tables and chairs will be allowed. And at that point in time, if you extrapolated, a \$2.3 billion deficit over the next two years.

"My reservations, Mr. Speaker, at presently understood that the Governor may, may be forced to impose a reduction in force, a RIF, or furloughs. Since 65 cents of every payroll dollar is tied to the employee, 35% can be construed or considered discretionary, but there is not much more to cut or reduce.

"Yes, a furlough will spread the pain across the board, but a RIF, reduction in force, or layoff, would target specific employees and programs and allow the State to prioritize or rank the programs and services. But for all of us, with layoffs it would usually mean that the last one in is the first one out, or our younger tenured employee would be first to lose their jobs. That occurs in a system where longevity and seniority is valued here in the state. But it also means that the lower paid employees may lose their jobs, and that means less savings for the employer, which is all of us. And that in turn means greater number of lower paid employees to be the target savings. And any worker laid off will join the ranks once more that all of you who have volunteered your time, would be part of the unemployed and tax the state unemployment fund.

"Mr. Speaker, reservations also because there is a perception that the Legislature, especially we as Democrats, are favoring public workers or in bed with the public worker unions. And that in the private sector, workers, union and non-union workers are not treated the same. For all of us here on the floor and in the gallery, that is far from the truth.

"I have been around long enough to know the perception is there. Indeed, I'm not surprised at all. So many of our neighbors, friends, and family have had their hours reduced, pay cut, or even been placed on furlough or laid off. And there is no idea of when or even if their jobs will return next week, next month, next year. No one knows.

"Meanwhile, the reopening of the economy, return of tourists, and the new normal has yet to be decided now that we have gone into four months from the March state lockdown. This has been a very stressful and unsettling time for many, many of our fellow citizens."

Representative Tokioka rose to yield his time, and the Chair "so ordered."

Representative Say continued, stating:

"Thank you, very much. Many who have worked all their lives are now finding themselves in the food line, seeking government assistance, and fearful of not making ends meet. And thank you, all of you in the support for paying the rent, their car loans, or facing foreclosure, or bankruptcy. The long lines that you folks have seen on the news and who some of you may have participated, clogging the H-1 from Waipahu to Aloha Stadium every week is a stark remembrance of how desperate many have become to put food on their table.

"So, in closing, Mr. Speaker, I encourage the Governor, the mayors, the councils, and the unions to keep on talking as this measure is brought to his desk for the Governor's signature or approval. It has major fiscal implications for the current and future budgets. And as I related earlier, without other income sources to fill the projected budget shortfall, may lead to the inevitable consequence of the State of Hawaii giving a pay raise to its workers on one day, but on the next day expecting to furlough or lay off those same workers. And as strange as it might seem, it is honest and foreseeable event arising down the road. And at that junction it will not be the State Legislature's call, but solely the Governor, mayors, and the counties. And I wish them all the best. To all of you, Godspeed and take care."

Representative Ohno rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. I'm in strong support of Senate Bill 785 for many reasons, as has been mentioned earlier. The precedent of these state workers, the valor of these state workers, and the benefit to our economy's recovery for these state workers. For that reason, I believe that these members in collective bargaining units 2, 3, 4, 7, 8, 9, 13, and 14 should be awarded.

"I believe that the state employees that have collectively bargained deserve their pay raises, as well as the hardworking people here in our own building. Thank you, Mr. Speaker."

Representative Luke rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. We just wanted to thank all the comments, especially I was very moved by the comment from the Representative from Ewa. So, I just especially wanted to thank his comments. I wanted to incorporate the words of the Labor Chair," and the Chair "so ordered." (By reference only.)

Representative Luke continued, stating:

"So, let me just give you a fiscal perspective. I know there were some numbers thrown out. But for fiscal year 20, the amount for the collective bargaining raises would be \$62 million, because those are some retroactive pay raises for fiscal year 21. Because it incorporates some of the UHPA reopener the amount is \$90 million, which is cumulative of the prior raises. So, it's actually \$60 million and then going forward it's \$90 million, you don't add the two years and then say it's \$150 million.

"This is a conversation that we continue to have with the Governor when we draft the budget. And many of the bills we have many conversations with the Governor. And I know the Governor had a hard time too, when he submitted the various collective bargaining messages, and he said he is under the obligation to forward the collective bargaining messages to the Legislature. So, he also feels that, he feels badly that everyone is in this situation. And so similarly the Legislature is in a position, and he understands that, the Legislature is in a position to have to agree to the collective bargaining raises.

"But one of the things I wanted to let the members know and let the public know is that as we work on the financial plan, both the Governor and my office and the Legislature have already incorporated the collective bargaining raises. So, when we are dealing with the budget and the financial plan, the Governor has already assumed that we would approve these raises. So, that's why for all of us, this is a step that we are going through to approve these raises which is already incorporated into his financial plan.

"One of the things in balancing the budget, what we have done is reduce a lot of the vacant positions. And as a result, we have secured \$200-somewhat million in vacancy savings. When we cut those vacancies and we take those funding from the vacancies, what happens to the current employees, they actually have to pick up the slack for the workers that we are not filling. So, some of these state workers are now doing fellow employees' work because we cut a substantial amount. Usually we cut maybe about \$30 million or \$10 million to \$20 million, or somewhat along that line in vacancies, but this year we did the extraordinary step in taking about \$200 million or somewhat, kind of an exorbitant number of vacancies.

"And the reality is, that's why you have the unemployment situation. You have park situation where we don't have employees who are there to close

the parks because of vacancies. So, what do they do? Some of these employees have to go and open and close the parks so that the public can enjoy the use of the park. And the Unemployment Office, these people are there from 6:30 a.m. to sometimes 8:00 or 9:00 p.m., even on the weekends, because they are picking up the slack for the vacant positions that we as a legislature took.

"So, when we talk about public sector employees, the public sector employees are very different from private sector employees. Because of the state law, we require public sector employees to pay close to about 40% of their health benefits. So, a lot of the public sector employees who, some of these people are in this bill, Senate Bill 785, are barely making minimum wage, but in actuality they're making subminimum wage because out of their paycheck they have to pay 40% of the health benefits, unlike private sectors employees."

Representative Takumi rose to yield his time, and the Chair "so ordered."

Representative Luke continued, stating:

"Thank you, Representative. So, when we look at the pay of some of these public sector employees, they are bearing a tremendous burden, and I think that's something that is lost sometimes when we talk about our public employees, that we continue to require that they pay for their high cost health insurance, unlike in the private sector.

"And the Governor is also struggling with this as well. And the Governor continues to be open to having furloughs and pay cuts, and that's kind of a painful discussion. And I'm sure some of you folks feel that you're glad that you're not involved in these discussions. But the Governor continues to discuss doing furloughs, whether it's furloughs of certain days or furloughs of a few hours. I know he is having discussions about furloughs and pay cuts.

"If that's the case, we're dealing with few units out of the 14 units, we're only dealing with certain units. And some of the other units already got their raises. So, when you talk about fair and equity, and he's doing across the board through all units of furloughs and pay cuts. Just on the fairness and equity, I don't know how we can justify, and as much as people said they don't know how they can justify this bill, I don't know how we can justify that while the Governor continues to look at furlough as an option, whether the Legislature likes that or not, how we can say, okay you know some of you folks didn't get your raise, but then you're also going to get furloughs, whereas other public sector employees got your raise, just because the Governor is looking at across the board.

"So, I do understand the situation that we're all in, but the bottom line is the public sector employees are picking up the slack for other vacant positions that many of the essential services that need to be taken up. And for those reasons, I rise in strong support. Thank you, very much."

Representative Lee rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. Just very briefly, I wanted to rise in support and echo the comments from many of our other colleagues. If it's a question of fairness, as the Finance Chair described, we cannot treat one set of employees differently than another, providing financial support and then withholding it from others. If it's a question of whether they're deserving, I'm so glad to hear everyone here, no matter your position on the bill, agree that, indeed, our employees are deserving.

"If it's a question of economic impact, I think we need only look back to 2009 and the recession, for those who were here at the time, to see that at the time, the Legislature decided to cut funding, withhold raises, cut positions, and furlough others. And in retrospect, of course, the impact on the economy was one that worsened the recession, that exacerbated the pain out there in our community.

"But, Mr. Speaker, I think the biggest thing about this bill is that it is, to the Labor Chair's point, a question of upholding our constitutional obligation to meet our collective bargaining requirements and follow precedent. And to those ends, Mr. Speaker, I stand in support. Thank you."

Representative McKelvey rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I stand with strong reservations on the measure. I would like the words of the Representatives from Puna and Palolo entered into the record as if they were my own. And however, the debate here today is brought to the fact that our hands are kind of bound on this. But I want to make the point that I can't support this unequivocally only because my House district has the highest unemployment rate in the entire United States, Mr. Speaker. So many families are out of work. And despite the heroic efforts of UI to get them benefits, there are still many who haven't received benefits since March.

"I talked to workers within the effected bargaining units. They're more concerned about RIFs and furloughs. They would gladly, in their words, give up their own and let it go to show solidarity with the community. But at the same time, we are bound, and this is in the Governor's hands. So, I have a lot of strong reservations, Mr. Speaker. The unemployment in this district is huge. And so, I'm hoping as we move forward we can also address them and help them in the private sector. But I have to express those reservations today. Thank you."

Representative Mizuno rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. Yes, Mr. Speaker, I agree with both the Labor Chair and the Judiciary Chair. I believe this is a protocol issue or procedural issue. And in addition, being a former HGEA member for Bargaining Unit 13 for over a decade, I know how hard the men and women, government employees work for our state. And so, for those reasons, I support this bill. Thank you."

Representative Okimoto rose in opposition to the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Okimoto's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in opposition to Conference Committee Report No. 2, Senate Bill No. 785, SD 1, HD 1, CD 1. As a former special education teacher, I am torn about voting against this bill. Our public school teachers, first responders, and healthcare workers should earn fair compensation. If times were different, I would vote in favor of this bill. However, our unemployment rate is nearly 23%, with over 131,600 jobs lost. Over 11,000 people have not had their unemployment claims paid. Some of my constituents, who filed initial claims in March, still have not been paid. I cannot justify paying for public worker pay raises while thousands of Hawaii's families struggle to put food on their table, pay their bills, their rent or their mortgage. Our public workers deserve this pay raise, but now is not the time. Thank you, Mr. Speaker."

Representative DeCoite rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, in support with reservations. The fact that I can appreciate all sides of what's been discussed, I know there's a lot of work that's been done. I commend the Labor Chair, Finance Chair. But, like many others, most of you know Molokai has always had the highest unemployment rate. One job lost is a whole other job that we're going to have to deal with. And as times will get harder for us going forward, I have strong reservations, but can appreciate the different districts and dynamics of everybody's input. With that, I'd like to also insert comments to the Journal. Thank you, Mr. Speaker."

Representative DeCoite's written remarks are as follows:

"With reservations. With the COVID-19 global pandemic and our current economic downturn because of it, I feel that now is a bad time to approve raises. I know these agreements were underway before the pandemic hit but I would rather we hold off until we have a better handle on our financial situation.

"I do support working families and want them to have proper wages and protections. I just want to make sure we, the State, can afford it."

Representative Matsumoto rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Matsumoto's written remarks are as follows:

"Thank you, Mr. Speaker. At this time, I rise in support but do have several concerns which I would like to clarify and also explain why I ultimately will support this bill.

"It appears this bill included some bargaining units that should have been considered separately, specifically Bargaining Unit 7 – University of Hawaii and community college faculty.

"It is my understanding that the Unit 7 agreement was made in May of this year, well after the onset of COVID-19 when the State was already concerned with its financial future. Though I am sure that there was no malicious intent involved, it still saddens me that some were negotiating to get more while so many were, and still are, going without.

"If this timeline is correct, and this agreement was completed in May of 2020, I do not believe it should be considered for appropriation at this time. The State and its citizens are looking at extreme financial hardships for the foreseeable future. As elected representatives, we are expected to be responsible stewards of the public money. Negotiating pay raises in the middle of this pandemic goes against that stewardship.

"Despite my previous hesitations, I am voting for this bill because it includes much needed support for our emergency medical service and I believe it is important that we honor our contracts. The rule of law is supposed to provide equality and stability that people can plan their lives around. If we don't fund a contract that was already agreed to, legally, before the pandemic started, I believe we are eroding trust in this vital institution.

"The portions of this bill covering the Hawaii Government Employees Association were agreed to well before the pandemic. In March, before the Legislature's closure, these appropriations were days away from being passed. Again, I believe it is our responsibility as advocates for the rule of law that we keep our promises and honor these contracts.

"This is also a vote regarding fairness. We have passed all of the other bargaining units contracts last session and they have received and will receive negotiated salary increases; many will see an increase on July 1, 2020. Due to the delay in our negotiations, it pushed their contract into the 2020 session; the contract is supposed to be effective July 1, 2019.

"My vote in support ensures equity and fairness among all public sector employees, which will be important with the unknown future due to COVID-19. Many of these employees have been the ones working on the frontline during this pandemic. They are the epidemiologists and contact tracers during COVID-19; they are the nurses, physical therapists, respiratory therapists in the hospitals face to face with COVID and caring for patients; they are the employees that ensure that the water systems and sewer systems are working; they are the employees that save lives on our beaches; who have made distance learning in the DOE and UH System possible; they are the workers providing our social safety net such as social workers, parole officers, child abuse investigators, SNAP and QUEST processors; they are the workers who have worked tirelessly to process the onslaught of unemployment claims using an antiquated system; and they are the workers who coordinated, cooked, and distributed thousands of meals to students during the pandemic.

"These bargaining units represent all of these people who have gone above and beyond to help others during these difficult times. While it is a difficult vote to provide raises during a recession, it is important that these government workers are treated equally and compensated for their work in case there are budget cuts going forward. Thank you, Mr. Speaker."

Representative Kong rose in support of the measure with reservations and asked that the remarks of Representative Say be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Ward rose in opposition to the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in opposition to S.B. No. 785, SD 1, HD 1, CD 1, with the following comments.



"How can we in good conscience vote for pay raises for state employees while so many are unemployed? Our state has been number one or number two in unemployment since the COVID-19 crisis began. The state has kept the number of infections low because businesses and individuals cooperated with mandated closures, social distancing requirements, and now with reopening limitations. This compliance has come at a great loss to our citizens. It is unconscionable to give anyone a raise when so many have lost jobs and others are barely hanging on. We are sending a message that we don't care about the suffering of the people of our state if we approve these pay raises. We are sending a message that state workers are more important than others. This is not a message I am willing to send.

"Some of the government employees covered in this bill are health care workers who are providing vital services. I'm not saying they don't deserve a raise, they do, and it should be negotiated but not paid out now, but when the economy gets stronger.

"This is not the time to give anyone a raise. The Legislature was scheduled to receive a raise on January 1st of 2021. This raise was recommended by the Commission on Salaries and approved during the 2019 session. We are NOT taking that raise on January 1st. The Legislature voted to delay the raise due to the economic impact COVID-19 has had on our state. So, by voting against this bill we are not asking the state employees to do anything that we are not doing ourselves – not receive a raise. Our state just does not have the money for raises at this time.

"There have been comments made that by voting against this bill the Legislature is involving itself in the collective bargaining process. Voting for or against a bill related to collective bargaining is the only involvement the Legislature is allowed to have. Normally, this type of collective bargaining bill is passed easily because it is an administrative task for the Legislature. However, this bill is slightly different. Other collective bargaining bills that were passed this year state the bill is recommended by the Governor for immediate passage. This bill does not contain that statement. My hope is that since that statement is not present, the Governor was sending a message to the Legislature that passing the bill was optional. At the very least the Governor seemed to be signaling that the collective bargaining agreements could be renegotiated if the bill were passed. These pay raises need to be renegotiated or deferred because we are in unprecedented times. The state's tax revenues are going to be much less than projected when these collective bargaining agreements were negotiated. In addition, furloughs and layoffs are still on the table. It is not the time for pay raises.

"Hawaii Revised Statutes 89-10(b) reads '...If the state legislature or the legislative body of any county rejects any of the cost items submitted to them, all cost items submitted shall be returned to the parties for further bargaining.' The Legislature has the authority to reject cost items contained in collective bargaining agreements.

"This bill combined HB 2305 and HB 2309. In these bills, Bargaining Unit 7 (University of Hawaii and community college faculty) and Unit 14 (state law enforcement officers and state and county ocean safety and water safety officers) were not receiving an appropriation. However, in this current bill these units have been appropriated over \$15 million between them. How are we paying for this?

"Government employees work hard, and I appreciate all that they do; however, it is not the time to give pay raises. Our state is going to have to take on millions of dollars in debt just to stay afloat. Increasing debt so that we can do things like raising the pay of government workers is both fiscally and morally wrong. This is the first time in my 20 years in the Legislature that I have voted against a collective bargaining pay raise. Thank you, Mr. Speaker."

At 1:07 p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:09 p.m.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 785, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," passed Final Reading by a vote of 45 ayes to 4 noes, with Representatives DeCoite, Kong, McKelvey, San Buenaventura, and Say voting aye with

reservations, and with Representatives McDermott, Okimoto, Thielen and Ward voting no, and with Representatives Cabanilla Arakawa and Wildberger being excused.

At 1:10 p.m., the Chair noted that the following bills passed Final Reading:

S.B. No. 126, SD 1, HD 1, CD 1  
S.B. No. 785, SD 1, HD 1, CD 1

## REPORTS OF STANDING COMMITTEES

Representative Lee, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 1230-20) recommending that S.B. No. 2701, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 1230-20 on S.B. No. 2701, HD 2, was deferred and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of S.B. No. 2701, HD 2, were made available to the Members of the House.

## ANNOUNCEMENTS

Representative Onishi: "Thank you, Mr. Speaker. I'm happy to announce that yesterday, the County of Kauai and Expedia has signed a MoU to address the listing of short-term vacation rentals. And we are anticipating that Expedia and Airbnb are also working on other agreements with the City and County of Honolulu and with Maui County. So, we look forward to future agreements coming out. Thank you, Mr. Speaker."

## COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

### S.C.R.

#### Nos.      Referred to:

17, SD1	Committee on Energy & Environmental Protection, then to the Committee on Judiciary
38, SD1	Jointly to the Committee on Labor & Public Employment and the Committee on Agriculture

## ADJOURNMENT

At 1:12 p.m., on motion by Representative Morikawa, seconded by Representative Matsumoto and carried, the House of Representatives adjourned until noon Monday, June 29, 2020. (Representatives Cabanilla Arakawa and Wildberger were excused.)

## HOUSE COMMUNICATIONS

House Communication dated June 26, 2020, from Brian L. Takeshita, Chief Clerk of the House of Representatives, to the Honorable President and members of the Senate, informing the Senate that the House has this day passed the following bills on Final Reading:

S.B. No. 126, SD 1, HD 1, CD 1  
S.B. No. 785, SD 1, HD 1, CD 1