

**Date:** 02/04/2009

**Committee:** House Education/House Labor  
& Public Employment

**Department:** Education

**Person Testifying:** Patricia Hamamoto, Superintendent of Education

**Title of Bill:** HB 0175 RELATING TO SALARY INCREASES FOR TEACHERS AND  
EDUCATIONAL OFFICERS.

**Purpose of Bill:** Repeals the statutory provisions that provide teachers and educational  
officers with annual incremental or longevity step increases.

**Department's Position:** The Department of Education strongly supports H.B. 175, which repeals  
the statutory provisions that provide teachers and educational officers with  
annual incremental or longevity step increases.

The current language of Section 302A-626, Hawaii Revised Statutes,  
provides "teachers and educational officers who have completed a year's  
satisfactory service and who have complied with other requirements of  
302A-602 to 302A-640, and 302A-701, shall be entitled to an annual  
increment. This language is outdated and does not correlate with the  
State's present policy and laws regarding collective bargaining.

Act 164, Session Laws of Hawaii, enacted in 1975, provided that "Effective  
July 1, 1967, an employee shall not be entitled to his normal annual  
increment or longevity increase, as the case may be, in any fiscal year that  
an increase in the applicable salary or wage board schedule is effected."

Pursuant to Section 89-1(b)(2), HRS, public employers are required to  
negotiate "matters of wages, hours, and other conditions of employment."

Under Section 89-2, HRS, the definition of "collective bargaining" clarifies  
that "wages" include "the number of incremental and longevity steps."

Furthermore, under Section 89-9, HRS, "the employer and the exclusive  
representative...shall negotiate in good faith with respect to wages."



WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEES ON EDUCATION AND  
LABOR AND PUBLIC EMPLOYMENT  
ON  
HOUSE BILL NO. 175

February 4, 2009

RELATING TO SALARY INCREASES FOR TEACHERS AND EDUCATIONAL  
OFFICERS

The purpose of House Bill No. 175 is to repeal the statutory provision that provides teachers and educational officers in the Department of Education with annual increments or other longevity step increases.

Act 164, Session Laws of Hawaii enacted in 1975, amended Chapter 89-9(d), HRS, and specified that “Effective July 1, 1976 an employee shall not be entitled to his normal annual increment or longevity increase, as the case may be, in any fiscal year that an increase in the applicable salary or wage board schedule is effected . . .”

Chapter 89-9(d) was later amended to specify that “movement between steps within the salary range shall be negotiable.” Also Chapter 89-9(a) specified that the parties “shall negotiate in good faith with respect to wages, hours, the number of incremental and longevity steps and movement between the steps within the salary range . . .” Today, Chapter 89-2 defines “collective bargaining” and further defines “wages” as including the number of incremental and longevity steps, the number of pay ranges and the movement between the steps within the pay range and between the pay ranges on a pay schedule under a collective bargaining agreement. Since 1976, all step movements have been negotiated.

The repeal of Section 302A-626 will remove the ambiguity between this section and the provisions of Chapter 89 and reinforce the current law and practice that annual step movements are negotiated during the collective bargaining process.



LINDA LINGLE  
GOVERNOR

MARIE C LADERTA  
CHIEF NEGOTIATOR

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February 3, 2009

TESTIMONY to the  
HOUSE COMMITTEES ON EDUCATION  
AND LABOR & PUBLIC EMPLOYMENT  
For Hearing on Wednesday, February 4, 2009  
2:00 p.m., Conference Room 309

By

MARIE C. LADERTA  
CHIEF NEGOTIATOR

**House Bill No. 175**  
**Relating to Salary Increases for Teachers and Educational Officers**

**WRITTEN TESTIMONY ONLY**

CHAIRPERSONS TAKUMI AND RHOADS AND MEMBERS OF THE HOUSE  
COMMITTEES ON EDUCATION AND LABOR & PUBLIC EMPLOYMENT:

The purpose of H. B. No. 175 is to repeal the statutory provision that provides teachers and educational officers with annual incremental or longevity step increases.

The Office of Collective Bargaining **strongly supports** this measure because it repeals Section 302A-626, HRS, which is obsolete since incremental and longevity step increases are negotiable.

Section 302A-626, HRS, was previously Section 297-34, HRS, which was initially passed in 1962 and later amended in 1965. This provided incremental and longevity step increases to teachers and educational officers prior to the advent of collective

bargaining. The 1970 enactment of Chapter 89, HRS, concerning public sector bargaining changed the manner in which employees received such increases.

Act 164, Session Laws of Hawaii, enacted in 1975, amended Section 89-9(d), HRS, and specified that "Effective July 1, 1976 an employee shall not be entitled to his normal annual increment or longevity increase, as the case may be, in any fiscal year that an increase in the applicable salary or wage board schedule is effected..."

Section 89-9(d), HRS, was later amended to specify that "movement between steps within the salary range shall be negotiable." Also Section 89-9(a), HRS, specified that the parties "shall negotiate in good faith with respect to wages, hours, the number of incremental and longevity steps and movement between the steps within the salary range..."

Today Section 89-2, HRS, defines "collective bargaining" and further defines "wages" as including the number of incremental and longevity steps, the number of pay ranges and the movement between the steps within the pay range and between the pay ranges on a pay schedule under a collective bargaining agreement.

Since 1976, all step movements have been negotiated and then submitted by the employer for approval by the Legislature under Section 89-10(b), HRS. As such, we recommend the passage of this measure to repeal Section 302A-626, HRS.

Thank you for the opportunity to testify on this measure.

Respectfully Submitted,



MARIE C. LADERTA