

SB159

**Date:** 02/11/2009

**Committee:** Senate Education and  
Housing/Senate Labor

**Department:** Education

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

**Title of Bill:** SB 0159 RELATING TO EDUCATION.

**Purpose of Bill:** Repeals annual increment and step salary increases for department of education teachers and educational officers.

**Department's Position:** The Department of Education **strongly supports S.B. 0159**, 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 This language is outdated and does not correlate with the State's present policy and laws regarding collective bargaining.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." Moreover, since 1976, all step movements have been negotiated with final

approval on the appropriation made by the Legislature, as stated under Section 89-10(b), HRS.

As salary increases and step movements of teachers and educational officers are negotiated, provisions relating to annual increments or longevity step increases are no longer necessary.



LINDA LINGLE  
GOVERNOR

MARIE C LADERTA  
CHIEF NEGOTIATOR

HAROLD DeCOSTA  
DEPUTY CHIEF NEGOTIATOR

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

February 10, 2009

**TESTIMONY to the  
SENATE COMMITTEES ON EDUCATION & HOUSING  
AND LABOR**

For Hearing on Wednesday, February 11, 2009  
2:00 p.m., Conference Room 225

By

MARIE C. LADERTA  
CHIEF NEGOTIATOR

**Senate Bill No. 159  
Relating to Education**

**WRITTEN TESTIMONY ONLY**

CHAIRPERSONS SAKAMOTO AND TAKAMINE AND MEMBERS OF THE SENATE  
COMMITTEES ON EDUCATION & HOUSING AND LABOR:

The purpose of S. B. No. 159 is to repeal the statutory provision that provides teachers and educational officers with annual increments or other 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..."

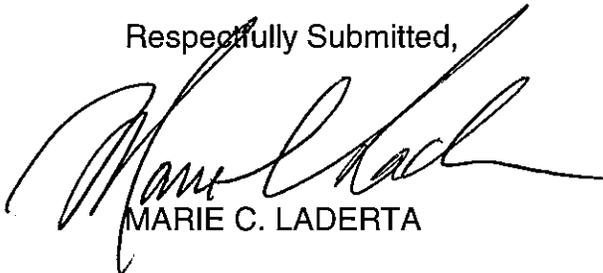
Section 89-9(d), HRS, was later amended to specify that "movement between steps within the salary range shall be negotiable." Also Section 89-9(a), HRS, specified that the parties "shall negotiate in good faith with respect to wages, hours, the number of incremental and longevity steps and movement between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

TESTIMONY BY GEORGINA K. KAWAMURA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE SENATE COMMITTEES ON EDUCATION AND  
HOUSING AND LABOR  
ON  
SENATE BILL NO. 159

February 11, 2009

RELATING TO EDUCATION

The purpose of Senate Bill No. 159 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 Department of Budget and Finance supports repeal of Section 302A-626 as it removes 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.



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

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TESTIMONY BEFORE THE SENATE COMMITTEES ON  
EDUCATION & HOUSING AND LABOR

RE: SB 159 – RELATING TO EDUCATION

February 11, 2009

ROGER TAKABAYASHI, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Sakamoto, Chair Takamine, and Members of the Committees:

The Hawaii State Teachers Association **opposes SB 159** which repeals annual and step salary increases for Department of Education teachers and educational officers.

Annual incremental movement is a key recruitment and retention tool. When prospective teachers see that Hawaii provides this benefit, like mainland districts, step increments for Hawaii teachers can begin playing an important role in the teacher recruiting process. Annual increments are also critical to keeping Hawaii's teachers' salaries competitive and to retaining teachers, thereby lessening our teacher shortage.

HSTA believes annual incremental or longevity step increases are the right of the employees, teachers and administrators. Incremental moves are a way of acknowledging the experience and service of teachers.

If the statutory provision is repealed, what kind of message does this send out to teachers and administrators? It is critical that we maintain the law as it is, otherwise we will definitely fall short in meeting the requirements of the No Child Left Behind law as teachers will leave the profession when they are not acknowledged for their experience. Many new teachers want to be able to know what their compensation would be in the next five years in order to make their career decisions accordingly.

We strongly urge the committees to not pass this bill.

Thank you for the opportunity to testify.