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SENATE CONCURRENT RESOLUTION

REQUESTING THE HAWAII LABOR RELATIONS BOARD TO CONDUCT AN INVESTIGATION INTO THE GRIEVANCE ARBITRATION PROCESS IN PUBLIC COLLECTIVE BARGAINING.

WHEREAS, the Legislature finds that the grievance arbitration process under a public collective bargaining agreement is meant to maintain labor stability and peace during the term of a contract between public employers and employees; and

WHEREAS, the present legalistic, time consuming nature and status of labor arbitration have become an antithetical counterpoint to the intended form, purpose, and operation of the grievance arbitration process; and

WHEREAS, in October 2013, a workshop on improving the grievance handling process was held and sponsored by the American Arbitration Association; Labor and Employment Relations Association, Hawaii Chapter (formerly known as the Industrial Relations Research Association, Hawaii Chapter); United Public Workers AFSCME Local 646 AFL-CIO; Hawaii Employers Council; Center for Process Labor Education and Research; and Hawaii State Teachers Association; and

WHEREAS, at the workshop, Ted T. Tsukiyama, Claude Matsumoto, Randy Perreira, and Tommy Trask were honored for their substantial and extensive contributions to the field of labor management; and

WHEREAS, Mr. Tsukiyama delivered the workshop's keynote address, reflecting over five decades of his involvement in Hawaii's labor and management history and stating, "The biggest problem burdening the institution and practice of arbitration is its advancing formalism and legalism resulting from its dominance and control by the legal industry and profession. From over 50 years ago, labor arbitration was engaged in an

internal struggle over its basic identity and purpose between the concept of a simple, informal, in-house 'problem solving process' advocated by former War Labor Board Chair George Taylor and a more formal and structured dispute resolving process advocated by the American Arbitration Association, which was ultimately resolved in favor of the latter approach. ensuing decades, labor arbitration gradually evolved toward (1) an increased legalistic practice, procedure and perspective, (2) resulting in increased use of attorneys as advocates and arbitrators, (3) which was largely as a result of the parties' preference and choice motivated and fuelled by a 'must win' or 'win at all cost' complex, (4) prolonging and complicating the hearing time and process, and (5) producing a more competitive, adversarial process often no different than contested litigation The net result was the loss or erosion of the in the courts. basic objectives and advantages of the arbitration process of speed, informality, economy, mutual control and good will"; and

WHEREAS, today, the almost exclusive advocacy by attorneys during the grievance arbitration process unnecessarily formalizes the entire hearing process, complicating and lengthening its completion time with attendant increased costs and a more adversarial environment; and

WHEREAS, a recent Hawaii public collective bargaining grievance arbitration case involving attorneys has resulted in a cost to the parties of over \$100,000 in arbitrator fees for disposition of preliminary motions, not including additional preliminary motions, such as a motion to compel and the arbitration hearing; and

WHEREAS, in 2001, the Legislature enacted Act 265, Session Laws of Hawaii 2001, known as the Uniform Arbitration Act, which included grievance arbitration under a public collective bargaining agreement; and

WHEREAS, the grievance arbitration process under a public collective bargaining agreement should be restored to a simplified system that provides a quick, just, and costeffective resolution to conflicts between public employers and employees; and

WHEREAS, labor arbitrations can be made better and more effective only when the process can be made less formal, less technical, and less adversarial; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, the House of Representatives concurring, that the Hawaii Labor Relations Board is requested to conduct an investigation on public sector collective bargaining grievance arbitrations, including but not limited to:

- (1) The costs incurred by public employers and public sector unions in the State;
- (2) The length of time it takes from the filing of a grievance to the selection of an arbitrator;
- (3) The length of time between the selection of an arbitrator and the commencement of hearing;
- (4) The average number of days it takes to hear a case;
- (5) The types of issues that are presented to the arbitrator;
- (6) The average amount of time it takes arbitrators to render decisions;
- (7) How often an arbitration award is appealed and on what basis;
- (8) The hourly fees and other fees of arbitrators; and
- (9) The average daily cost of court reporters; and

BE IT FURTHER RESOLVED that the public employers in the State provide information requested by the Hawaii Labor Relations Board for the purposes of this measure; and

BE IT FURTHER RESOLVED that the Hawaii Labor Relations Board is requested to report the findings and recommendations of its investigation, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and

 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Chairperson of the Hawaii Labor Relations Board, Mayor of the County of Hawaii, Mayor of the City and County of Honolulu, Mayor of the County of Kauai, Mayor of the County of Maui, Chief Justice of the Hawaii Supreme Court, Board of Education, Board of Regents of the University of Hawaii, Board of Directors of the Hawaii Health Systems Corporation, Hawaii Government Employees' Association, United Public Workers, Hawaii Fire Fighters Association, Hawaii State Teachers Association, University of Hawaii Professional Assembly, and State of Hawaii Organization of Police Officers.