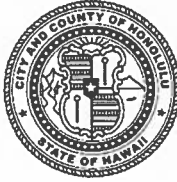


**DEPARTMENT OF HUMAN RESOURCES
KA 'OIHANA HO'OMOHALA LIMAHANA
CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET, 10TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8500 • FAX: (808) 768-5563 • WEBSITE: honolulu.gov/dhr

RICK BLANGIARDI
MAYOR
ME/A



NOLA N. MIYASAKI
DIRECTOR
PO'O

FLORENCIO C. BAGUIO, JR.
ASSISTANT DIRECTOR
KOKUA PO'O

January 29, 2025

The Honorable Henry J.C. Aquino, Chair
The Honorable Chris Lee, Vice Chair
and Members of the Senate Committee on Labor and Technology
The Senate, Room 224
State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Aquino, Vice Chair Lee, and Members of the Committee:

SUBJECT: Senate Bill No. 717
Relating to Collective Bargaining

The Department of Human Resources, City and County of Honolulu, understands the intent of Senate Bill No. 717, which would repeal the prohibition placed on certain employees exempt from civil service law from grieving a suspension or discharge, unless the relevant collective bargaining agreement specifically provides otherwise. We note that this is a matter that has previously been specifically delegated as a matter for parties to collectively bargain over, and that, generally, issues subject to collective bargaining are preferred to remain subject to collective bargaining versus legislative action.

We thank you for giving us the opportunity to submit our comments on this matter.

Sincerely,

A handwritten signature in cursive script, reading "Nola N. Miyasaki".

Nola N. Miyasaki
Director Designate



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The Senate
Committee on Labor and Technology

Testimony by
Hawaii Government Employees Association

January 29, 2025

S.B. 717 — RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 717, which repeals the prohibition placed on certain employees exempt from civil service law from grieving a suspension or discharge and allows any employee who is a member of an appropriate bargaining unit to grieve a suspension or discharge.

The creation of exempt positions within state government was originally intended for services that were deemed unique and/or temporary for the state. Currently, we believe that the use of exempt positions has strayed away from its original intent. Over these past few years, we have seen an increase in the use of exempt positions, which in large part, is likely due to our lethargic civil service hiring process, and our states inability to increase position pay to a competitive rate. According to the Executive Branch Workforce Profile report submitted to this body each year, in 2020 there was 1715 exempt employees within the State Executive Branch under the personnel system administered by DHRD, today there is 2390 exempt employees, which reflects a significant increase in the use of exempt positions. To note, the total number of civil service employees have decreased within that highlighted timeframe. The ugly truth is that positions that have been historically provided by civil servants may now be provided by exempt employees or a combination of both.

Although these employees are covered under their respective collective bargaining agreement's pursuant to Chapter 89 HRS, the statue prohibits these employees from appealing any disciplinary action through the grievance process, effectively making exempt employees "at will" and not subject to just cause. Given the increase in the creation of more exempt positions, regardless of whether the exemption is true to the original intent, we find that it would be equitable to allow these employees to be covered under just cause, just like civil servants. Furthermore, fair and reasonable job security is one of the components that makes state employment attractive – we believe that this measure will help with the recruitment of employees by ensuring that they receive workplace protections that otherwise they would not be entitled too.

Thank you for the opportunity to provide testimony in strong support of S.B. 717.

Respectfully submitted,

Randy Perreira
Executive Director



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

THE SENATE
KA 'AHA KENEKOA

THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2025

COMMITTEE ON LABOR AND TECHNOLOGY

Senator Henry J.C. Aquino, Chair
Senator Chris Lee, Vice Chair

Wednesday, January 29, 2025, 3:00 PM
Conference Room 224 & Videoconference

Re: Testimony on SB717 – RELATING TO COLLECTIVE BARGAINING

Chair Aquino, Vice Chair Lee, and Members of the Committee:

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

UPW supports SB717, which repeals the prohibition placed on certain employees exempt from civil service law from grieving a suspension or discharge. This measure also allows any employee who is a member of an appropriate bargaining unit to grieve a suspension or discharge.

While there are currently no exempt positions that would be represented by UPW should this bill become law, we believe that all public employees should have the right to grieve a suspension or discharge in a manner that is consistent with the protections available to civil service employees. Furthermore, this legislation would ensure that all public employees, regardless of their employment status, are treated fairly.

Mahalo for this opportunity to testify in support of this measure.

HEADQUARTERS

1426 North School Street
Honolulu, Hawaii 96817-1914
Phone 808.847.2631

HAWAII

362 East Lanikaula Street
Hilo, Hawaii 96720-4336
Phone 808.961.3424

KAUAI

2970 Kele Street, Suite 213
Lihue, Hawaii 96766-1803
Phone 808.245.2412

MAUI

841 Kolu Street
Wailuku, Hawaii 96793-1436
Phone 808.244.0815

1.866.454.4166

Toll Free - Molokai/Lanai only



Randy Perreira
President

HAWAII STATE AFL-CIO

888 Mililani Street, Suite 501 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441
Fax: (808) 593-2149

The Thirty-Second Legislature
The Senate
Committee on Labor and Technology

Testimony by
Hawaii State AFL-CIO

January 29, 2025

TESTIMONY IN SUPPORT OF SB717 - RELATING TO COLLECTIVE BARGAINING

Chair Lee, Vice Chair Lee, and members of the committee:

The Hawaii State AFL-CIO is a state federation of 74 affiliate labor organizations representing over 68,000 union members in Hawaii. The AFL-CIO serves its affiliates by advocating for the rights of working families, promoting fair wages, ensuring safe working conditions, and supporting policies that strengthen Hawaii's workforce.

We are in support of SB717, which allows exempt employees to grieve suspensions and discharges. Exempt positions, originally intended for temporary or unique services, have increased significantly in state government. While these employees are covered by collective bargaining agreements under Chapter 89, HRS, they are denied the ability to grieve disciplinary actions such as suspension or discharge. This creates an imbalance compared to their civil service counterparts, who are afforded grievance protections.

Providing grievance rights to exempt employees ensures a more equitable workplace and addresses the evolving nature of these positions. Over time, exempt positions have grown to fulfill roles historically performed by civil service employees, making it fair and reasonable to align their protections with those provided to civil service workers.

This measure also strengthens recruitment and retention efforts by making state employment more attractive to qualified workers. Workplace protections, such as the ability to grieve disciplinary actions, are critical to fostering morale and stability among the workforce.

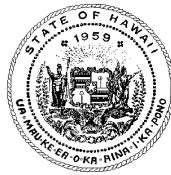
Addressing these inequities will help ensure exempt employees are treated fairly and that the state continues to attract and retain talent in an increasingly competitive labor market.

Respectfully submitted,

Randy Perreira
President

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

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



LATE

BRENN H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

BRIAN K. FURUTO
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

Statement of
BRENN H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON LABOR AND TECHNOLOGY
Wednesday, January 29, 2025
3:00PM
State Capitol, Conference Room 224

In consideration of
SB 717, Relating to Collective Bargaining

Chair Aquino, Vice Chair Lee, and the members of the committee.

The Department of Human Resources Development (HRD) appreciates the intent of SB 717, which repeals the prohibition placed on certain employees exempt from civil service law from grieving a suspension or discharge and allows any employee who is a member of an appropriate bargaining unit to grieve a suspension or discharge. However, we must respectfully oppose this measure for the following reasons:

- The right to grieve is a negotiable condition of employment between the Employer and the exclusive representative, and we believe it should remain as such.
- Providing the right to grieve a suspension or discharge for employees exempt from civil service is not consistent with the nature of their employment, which is "at will."
- Unlike civil service employees, exempt employees are not hired via the merit principle, hence their "at will" status.
- While "at will" employment means they may be discharged at the prerogative of the Employer, it must still be subject to applicable federal and state employment laws.

We are available to answer any questions or provide further information as needed.