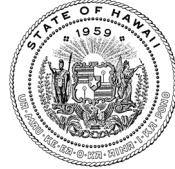


JOSH GREEN, M. D.
GOVERNOR
KE KIA'ĀINA



BRENNNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA

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

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

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

Before the
SENATE COMMITTEE ON LABOR AND TECHNOLOGY
Friday, January 30, 2026
3:00PM
State Capitol, Conference Room 225

In consideration of
SB2115, Relating to Collective Bargaining

Chair Elefante, Vice Chair Lamosao, and members of the committee:

The Department of Human Resources Development (HRD) opposes SB2115, which amends Section 89-9, Hawai'i Revised Statutes (HRS), to once again alter the impasse procedure for the negotiated repricing of classes within an appropriate bargaining unit. The proposed amendments to SB2115 place repricing decisions in the hands of a single untrained, unqualified arbitrator, create unrealistic impasse deadlines, and impose a tremendous burden on management to defend repricing decisions.

In 2024, the HB1640 "Relating to Collective Bargaining" was passed into law as Act 234. Our concerns with SB2115 are similar to those we raised when HB1640 was discussed. These concerns are summarized as follows:

- Repricing requires considerable technical analysis and training, and, as such, the decision maker should be knowledgeable about the subject class of work and thoroughly trained and experienced in the factors that determine pricing. Arbitrators are not trained in these matters. There will no longer be a consistent application of criteria if multiple arbitrators are permitted to make repricing determinations.
- Inequitable arbitration decisions would undermine HRD's ability to maintain an impartial, unbiased, and consistent classification and pay system, as required by HRS §76-13(7), and would erode compliance with constitutional and statutory mandates requiring equal pay for equal work under HRS §76-1(5).
- Improper arbitration decisions expose the employer to serious and costly claims

of unequal pay and discrimination.

- The intent of repricing is to correct an internal alignment issue and should not be used to address other compensation issues, such as recruitment difficulties, retention, wages that are not competitive, market conditions, etc. There are other compensation tools that can be used to address these issues. Inexperienced individuals and the unions often mistakenly advocate using repricing to address these issues.
- The State already has various compensation programs to address recruitment and retention of employees, such as:
 - Flexible Hiring Rates,
 - EMCP Pay Programs
 - Shortage Category
 - Recruitment and Appointment Above the Minimum
- In 2024, HRS §89-9 and §89-11, which, at the time, already provided procedures when a public employer and an exclusive representative reach impasse on subjects of negotiation, including repricing, were amended in Act 234 to require disputes over repricing to follow the same process as used for collective bargaining impasse. We agree that the current process is ineffective in so far as we believe that repricing decisions should be made by individuals with experience and expertise in this area.
- SB2115 proposes that a single arbitrator be appointed for repricing impasse procedures. We do not support this amendment. Although not ideal, the use of a three-person arbitration panel, as provided for in the current impasse procedures in HRS §89-11, allows for arbitrators with different strengths and expertise, aiding in a more comprehensive analysis that results in a more balanced, informed and fair decision.

HRD urges the Committee not to pass this measure. Nonetheless, should this bill move forward, we respectfully request the following amendments to:

1. Ensure an objective, consistent system of pricing and repricing classes of work based on a thorough analysis of job duties and responsibilities to protect the employer from claims of unequal pay and discrimination prohibited by federal and state laws; and
2. Use a well-established existing statutory process in the merit appeals board. The Merit Appeals Board (MAB) is the more appropriate body to make repricing decisions. MAB is an appellate body created under HRS §26-5 that hears and makes determinations on matters set forth in HRS §76-14. MAB consists of three members. All members are required to have knowledge of public employment laws and prior experience in public employment, with one member from management, one member representing the unions, and a neutral member serving as chair.

Amend HRS §76-14 as follows:

SECTION 2. §76-14, Hawaii Revised Statutes, is amended by amending subsection (a) The merit appeals board of each jurisdiction shall decide appeals from any action under this chapter taken by the chief executive, the director, an appointing authority, or a designee acting on behalf of one of these individuals, relating to:

(3) Initial pricing and repricing of classes; and

~~Section 89-11, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:~~

~~"(b) An impasse during the term of a collective bargaining agreement on reopened items or items regarding a supplemental agreement shall not be subject to the impasse procedures in this section[.]; provided that an employer's failure to timely initiate a negotiation on repricing of classes within a bargaining unit pursuant to section 89-9(f)(1) or the parties' failure to reach an agreement on repricing within the timeframe set forth in section 89-9(f)(2) shall constitute an impasse, to which the impasse procedures in this section shall apply. The parties may mutually agree on an impasse procedure, but if the procedure culminates in an arbitration decision, the decision shall be pursuant to subsection (f)."~~

Section 89-9, Hawai'i Revised Statutes, is amended by amending subsection (f) to read as follows:

(f) *[Repeal and reenactment on June 30, 2029. L 2025, c 21, §23.]* The repricing of classes within an appropriate bargaining unit shall be negotiated and determined as follows:

- (1) Within ninety days of receipt of a written request which includes a comparative analysis and justification based on the employer's pricing factors from the exclusive representative to negotiate and at times allowed under the collective bargaining agreement, the employer shall negotiate the repricing of classes within the bargaining unit. The negotiated repricing actions that shall constitute cost items and shall be subject to the requirements in section 89-10; and
- (2) If the employer fails to timely initiate a negotiation in compliance with paragraph (1) or the parties cannot reach an agreement within one hundred eighty days after the exclusive representative's written request to negotiate the affected employee may appeal to the merit appeals board; [or by January 31 of a year in which the agreement is due to expire, whichever is earlier, an impasse exists and the impasse procedures in section 89-11 shall apply; provided that the parties may mutually agree on repricing procedures in conformance with this section;] provided further that a repricing request can only be submitted once per occupation in any [eighteen month] five year period; provided further that impasse procedures shall not apply if the impasse occurs within one hundred eighty days after a collective bargaining agreement has been reached between the employer and the exclusive representative of the

~~bargaining unit~~. Notwithstanding the foregoing, no more than fifteen repricing impasse procedures shall be active at any time. If an impasse procedure would have triggered, but cannot begin because it would exceed the maximum fifteen active repricing impasse procedures, the parties shall continue to negotiate until such time as the repricing impasse procedure begins; provided that preference for new repricing impasse procedures shall be given to repricings in the order in which they began.

Section 89-11, Hawai'i Revised Statutes, is amended by amending subsection (b) to read as follows:

(b) *[Repeal and reenactment on June 30, 2029. L 2025, c 21, §23.]* An impasse during the term of a collective bargaining agreement on reopened items or items regarding a supplemental agreement shall not be subject to the impasse procedures in this section~~;~~ provided that an employer's failure to timely initiate a negotiation on repricing of classes within a bargaining unit pursuant to section 89-9(f)(1) or the parties' failure to reach an agreement on repricing within the timeframe set forth in section 89-9(f)(2) shall constitute an impasse, to which the impasse procedures in this section shall apply]. The parties may mutually agree on an impasse procedure, but if the procedure culminates in an arbitration decision, the decision shall be pursuant to subsection (f).

We respectfully request that the committee hold this measure or pass it with the amendments discussed above. We are available to answer any questions or provide further information as needed.

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

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RICK BLANGIARDI
MAYOR
MEIA



NOLA N. MIYASAKI
DIRECTOR
PO'O

KAREN MILLER
ASSISTANT DIRECTOR
KOKUA PO'O

January 29, 2026

The Honorable Brandon J.C. Elefante, Chair
The Honorable Rachele Lamosao, Vice Chair
and Members of the Committee on Labor and Technology
State Senate, Room 217
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Elefante, Vice Chair Lamosao and Members of the Committee:

SUBJECT: City and County of Honolulu Department of Human Resources
testimony in opposition to Senate Bill 2115 Relating to Collective
Bargaining

Under the current language of HRS Section 89-9 Scope of Negotiations; consultation, the impasse procedures for the repricing of classes are identical to the procedures for interest arbitration between the unions and employers, which allow for a three-member arbitration panel. Senate Bill 2115 seeks to amend that language by providing for a single arbitrator in lieu of a panel for this process. Additionally, this measure seeks to compress the timeframe/deadlines of these impasse proceedings.

The City and County of Honolulu, Department of Human Resources (DHR), respectfully **opposes** this measure.

Pricing is the initial process of assigning classes of work to a salary range based on the application of well-defined and objective factors such as the nature, scope and complexity of work performed. Pricing is used by the Employer to ensure that all classes within a jurisdiction are in internal alignment to one another, to ensure that similarly functioning classes have the same salary range and are compensated fairly in relation to one another. Repricing is the process of determining whether the initial pricing of a class was incorrect. While nothing may have changed with regards to the work performed there may have been an incorrect factor or consideration used in the initial determination of pricing of that class that should be changed.

The Honorable Brandon J.C. Elefante, Chair
The Honorable Rachele Lamosao, Vice Chair
and Members of the Committee on Labor and Technology
January 29, 2026
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The Unions have always had the ability to negotiate the repricing of classes during the collective bargaining process, and the City has had significant concerns with the recent change to require impasse procedures set forth in section 89-11, HRS. Given this further proposed amendment, the City **opposes** this measure as follows:

1. The City believes the proposed amendment is premature as the repricing process is new and no impasse or arbitration proceedings have yet been completed. Further, the City is concerned that a single arbitrator will not provide all parties with fair and equitable representation given the highly technical nature of this issue.
2. The City also believes the proposed compression of timeframe/deadlines is similarly premature as the existing provides both parties sufficient time to prepare for and address these technical proceedings.

Based on the concerns stated above, DHR respectfully **opposes** and requests S.B. 2115 be deferred.

Sincerely,



Nola Miyasaki
Director



HAWAI'I STATE TEACHERS ASSOCIATION

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Osa Tui, Jr.
President

Logan Okita
Vice President

Cheney Kaku
Secretary-Treasurer

Andrea Eshelman
Executive Director

TESTIMONY TO THE HAWAI'I SENATE COMMITTEE ON LABOR AND TECHNOLOGY

Item: SB 2115 – Relating to Collective Bargaining

Position: Support

Hearing: Friday, January 30, 2025, 3:00 pm, Room 225

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

Dear Chair Elefante, Vice Chair Lamosao, and members of the committee,

The Hawai'i State Teachers Association (HSTA) supports S.B. 2115, which introduces a specialized arbitration process for repricing disputes. These changes provide much-needed improvements by ensuring salary adjustments are not left in limbo for years.

This measure creates a clear and predictable path for resolving pay inequities. By establishing strict timelines—including a 90-day window to start a hearing and a 30-day deadline for a final decision—the state can ensure that educators are compensated fairly and without unnecessary delay.

These improvements are essential for maintaining a motivated workforce and filling critical gaps in our schools. A transparent resolution process ensures that professional roles are properly valued and that our pay structures reflect the actual needs of our educators.

HSTA urges the committee to pass S.B. 2115 to bring transparency and accountability to the repricing process.

Mahalo.



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 30, 2026

S.B. 2115 — RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2122, which amends the collective bargaining negotiation procedure on the repricing of classes within a bargaining unit for public employees.

In 2024, the Legislature passed Act 234 which codified that repricing job classes within state government is negotiable between the exclusive representative and the employer and established a negotiating process. The passage of this measure was in large part due to the Employers' unwillingness to increase position pay to a competitive market rate, resulting in high vacancy rates across government, both of which still exist today. The current repricing process mandates a 150-day negotiating period, and if the exclusive representative and the employer cannot reach an agreement within that time-period, then impasse procedures pursuant to 89-11, Hawaii Revised Statutes, shall apply. The current impasse procedure for our organization is interest arbitration.

The interest arbitration procedure is intended, structured, and used for when the employer and exclusive representative must reach a resolution for a new master collective bargaining agreement (CBA), potentially impacting thousands of employees. It is not well intended for repricing a specific job classification of employees. The current process is complex and lengthy. It includes requirements such as: the case to be heard by an arbitration panel rather than a single arbitrator, requires the chair of the arbitration panel to be selected by the American Arbitration Association or Federal Mediation and Conciliation Services, and a mandatory mediation period. This bill would establish a more efficient and appropriate impasse procedure, similar to the arbitration process outlined in our CBA, to be applied when both parties fail to reach an agreement within the negotiating time frame.

To address these issues, we respectfully request the following additional amendments to current statute to create a more efficient repricing process:

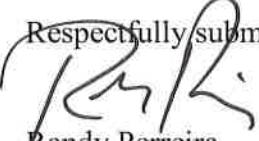
- Reduce the one hundred- and fifty-day negotiating period with ninety days, on page 5, line 18; and
 - Insert ten days within the blanked portion of the bill on page 7, line 7.

January 30, 2026

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We believe these changes will result in a more efficient, timely and less costly process that will streamline the pricing appeal process, leading to a more effective recruitment and retention procedure.

Thank you for the opportunity to provide testimony in strong support of S.B. 2115.

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 2026

COMMITTEE ON LABOR AND TECHNOLOGY

Senator Brandon J.C. Elefante, Chair
Senator Rachele Lamosao, Vice Chair

Friday, January 30, 2026, 3:00 PM
Conference Room 225 & Videoconference

Re: Testimony on SB2115 – RELATING TO COLLECTIVE BARGAINING

Chair Elefante, Vice Chair Lamosao, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO (“UPW”) is the exclusive bargaining representative for approximately 12,000 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 strongly supports SB2115, which amends the collective bargaining negotiation procedure on the repricing of classes within a bargaining unit for public employees. This bill also establishes an impasse procedure to be applied when an employer fails to initiate the negotiation or the parties fail to reach an agreement within certain timeframes and repeals existing law that requires a different impasse procedure to apply in those situations.

UPW believes this bill amends section 89-9(f)(2), Hawaii Revised Statutes (“HRS”), to address what we perceive as a challenge that can cause significant delays during the repricing process--specifically section 89-11(e)(2)(A). As written, this subsection, which provides for the selection of an arbitration panel, does not provide a timeframe for selecting a neutral third member—through the alternating strikes method—from a list of five qualified and experienced interest arbitrators should both parties fail to select the third member by mutual agreement. The addition of subsection (g) to section 89-9, would address this and other challenges by prescribing an alternative impasse procedure to section 89-11, which is currently provided for in section 89(f)(2).

Ultimately, UPW believes the proposed amendments better reflect the spirit and intent of the law.

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

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SB-2115

Submitted on: 1/27/2026 1:44:19 PM
Testimony for LBT on 1/30/2026 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alec Marentic	Individual	Support	Written Testimony Only

Comments:

Chair, Co-Chair, and members of the committee,

I support this measure strengthening collective bargaining protections for employees. While I worked for HIDOE as a School Psychologist from 2020-2025, HGEA tried tirelessly to negotiate with the DOE on repricing School Psychologists. Their wages fall significantly short of other states with comparable costs of living. This wage disparity is one of the critical factors driving significant vacancies within the state. Currently, School Psychologist vacancies are a staggering 44%. Despite this vacancy, the DOE refused to engage in negotiations with HGEA, and phased out shortage differentials for incoming School Psychologists. This bill will strengthen the Union's ability to hold employers accountable.