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# A BILL FOR AN ACT

RELATING TO COLLECTIVE BARGAINING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 89-9, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3           "**§89-9 Scope of negotiations; consultation[-]; impasse**  
4 **procedure for repricing.** (a) The employer and the exclusive  
5 representative shall meet at reasonable times, including  
6 meetings sufficiently in advance of the February 1 impasse date  
7 under section 89-11, and shall negotiate in good faith with  
8 respect to wages, hours, the amounts of contributions by the  
9 State and respective counties to the Hawaii employer-union  
10 health benefits trust fund to the extent allowed in  
11 subsection (e), and other terms and conditions of employment  
12 which are subject to collective bargaining and which are to be  
13 embodied in a written agreement as specified in section 89-10[~~7~~  
14 ~~but such~~]; provided that this obligation does not compel either  
15 party to agree to a proposal or make a concession.  
16           (b) The employer or the exclusive representative desiring  
17 to initiate negotiations shall notify the other party in



1 writing, setting forth the time and place of the meeting desired  
2 and the nature of the business to be discussed, sufficiently in  
3 advance of the meeting.

4 (c) Except as otherwise provided in this chapter, all  
5 matters affecting employee relations, including those that are,  
6 or may be, the subject of a rule adopted by the employer or any  
7 director, shall be subject to consultation with the exclusive  
8 representatives of the employees concerned. The employer shall  
9 make every reasonable effort to consult with exclusive  
10 representatives and consider their input, along with the input  
11 of other affected parties, [~~prior to~~] before effecting changes  
12 in any major policy affecting employee relations.

13 (d) Excluded from the subjects of negotiations are matters  
14 of classification, reclassification, benefits of but not  
15 contributions to the Hawaii employer-union health benefits trust  
16 fund, recruitment, examination, initial pricing, and retirement  
17 benefits except as provided in section 88-8(h). The employer  
18 and the exclusive representative shall not agree to any proposal  
19 that would be inconsistent with the merit principle or the  
20 principle of equal pay for equal work pursuant to section 76-1



1 or that would interfere with the rights and obligations of a  
2 public employer to:

- 3 (1) Direct employees;
- 4 (2) Determine qualifications, standards for work, and the  
5 nature and contents of examinations;
- 6 (3) Hire, promote, transfer, assign, and retain employees  
7 in positions;
- 8 (4) Suspend, demote, discharge, or take other disciplinary  
9 action against employees for proper cause;
- 10 (5) Relieve an employee from duties because of lack of  
11 work or other legitimate reason;
- 12 (6) Maintain efficiency and productivity, including  
13 maximizing the use of advanced technology, in  
14 government operations;
- 15 (7) Determine methods, means, and personnel by which the  
16 employer's operations are to be conducted; and
- 17 (8) Take actions as may be necessary to carry out the  
18 missions of the employer in cases of emergencies.

19 This subsection shall not be used to invalidate provisions  
20 of collective bargaining agreements in effect on and after  
21 June 30, 2007, and except as otherwise provided in this chapter,



1 shall not preclude negotiations over the implementation of  
2 management decisions that affect terms and conditions of  
3 employment that are subject to collective bargaining. Further,  
4 this subsection shall not preclude negotiations over the  
5 procedures and criteria on promotions, transfers, assignments,  
6 demotions, layoffs, suspensions, terminations, discharges, or  
7 other disciplinary actions as subjects of bargaining during  
8 collective bargaining negotiations or negotiations over a  
9 memorandum of agreement, memorandum of understanding, or other  
10 supplemental agreement; provided that [~~such~~] this obligation  
11 shall not compel either party to agree to a proposal or make a  
12 concession.

13 Violations of the procedures and criteria [~~so~~] negotiated  
14 may be subject to the grievance procedure in the collective  
15 bargaining agreement.

16 (e) Negotiations relating to contributions to the Hawaii  
17 employer-union health benefits trust fund shall be for the  
18 purpose of agreeing upon the amounts which the State and  
19 counties shall contribute under section 87A-32, toward the  
20 payment of the costs for a health benefits plan, as defined in  
21 section 87A-1, and group life insurance benefits, and the



1 parties shall not be bound by the amounts contributed under  
2 prior agreements; provided that section 89-11 for the resolution  
3 of disputes by way of arbitration shall not be available to  
4 resolve impasses or disputes relating to the amounts the State  
5 and counties shall contribute to the Hawaii employer-union  
6 health benefits trust fund.

7 (f) The repricing of classes within an appropriate  
8 bargaining unit shall be negotiated and determined as follows:

9 (1) Within thirty days of receipt of a written request  
10 from the exclusive representative to negotiate and at  
11 times allowed under the collective bargaining  
12 agreement, the employer shall negotiate the repricing  
13 of classes within the bargaining unit. The negotiated  
14 repricing actions that constitute cost items shall be  
15 subject to the requirements in section 89-10; and

16 (2) If the employer fails to timely initiate a negotiation  
17 in compliance with paragraph (1) or the parties cannot  
18 reach an agreement within [~~one hundred fifty~~] ninety  
19 days after the exclusive representative's written  
20 request to negotiate or by January 31 of a year in  
21 which the agreement is due to expire, whichever is



1 earlier, an impasse exists and the impasse procedures  
2 in [~~section 89-11~~] subsection (g) shall apply;  
3 provided that the parties may mutually agree on repricing  
4 procedures in conformance with this section; provided further  
5 that a repricing request can only be submitted once per  
6 occupation in any eighteen-month period; provided further that  
7 impasse procedures shall not apply if the impasse occurs within  
8 one hundred eighty days after a collective bargaining agreement  
9 has been reached between the employer and the exclusive  
10 representative of the bargaining unit. Notwithstanding the  
11 foregoing, no more than fifteen repricing impasse procedures  
12 shall be active at any time. If an impasse procedure would have  
13 triggered, but cannot begin because it would exceed the maximum  
14 fifteen active repricing impasse procedures, the parties shall  
15 continue to negotiate until [~~such~~] the time [~~as~~] the repricing  
16 impasse procedure begins; provided that preference for new  
17 repricing impasse procedures shall be given to repricings in the  
18 order in which they began.

19 (g) Within ten days of the date of impasse, the exclusive  
20 representative may send a written notice to the employer that  
21 the impasse shall be submitted to a final and binding



1 arbitration by a single arbitrator. The single arbitrator shall  
2 be selected by mutual agreement of the parties; provided that if  
3 the parties fail to select an arbitrator within ten days of the  
4 exclusive representative's written notice of arbitration, either  
5 party may request the board to furnish a list of five qualified  
6 and experienced interest arbitrators from which the arbitrator  
7 shall be selected. Within ten days after receipt of the list,  
8 the parties shall alternately strike names from the list until a  
9 single name is left, whom shall be immediately appointed by the  
10 board as the arbitrator; provided that the first party to strike  
11 a name from the list shall be determined by lot. The arbitrator  
12 shall follow the arbitration procedure as follows:

- 13       (1) Arbitration hearing. Within ninety days of  
14             appointment, the arbitrator shall commence a hearing;  
15             and  
16       (2) Arbitration decision. Within thirty days after the  
17             conclusion of the hearing, the arbitrator shall reach  
18             and transmit a written decision to the parties for  
19             inclusion in the final agreement.



1        Any deadline or procedure in this subsection may be waived  
2 or modified by mutual agreement of the employer and the  
3 exclusive representative."

4        SECTION 2. Section 89-11, Hawaii Revised Statutes, is  
5 amended by amending subsection (b) to read as follows:

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

18        SECTION 3. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20        SECTION 4. This Act shall take effect on July 1, 2050, and  
21 shall be repealed on June 30, 2029; provided that:



- 1           (1) Sections 89-9(f) and 89-11(b), Hawaii Revised  
2           Statutes, shall be reenacted in the form in which they  
3           read on June 30, 2024; and  
4           (2) Any negotiations on repricing pursuant to this Act  
5           that started before June 30, 2029, may continue after  
6           this Act is repealed.



**Report Title:**

Collective Bargaining in Public Employment; Repricing of Classes; Negotiations; Impasse Procedures; Arbitration

**Description:**

Amends the collective bargaining negotiation procedure on the repricing of classes within a bargaining unit for public employees. 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. Repeals existing law that requires a different impasse procedure to apply in those situations. Sunsets 6/30/2029. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

