



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

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA

BRENNA 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
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
HOUSE COMMITTEE ON LABOR
Thursday, March 19, 2026
9:35AM
State Capitol, Conference Room 309

In consideration of
SB2114 SD2, RELATING TO COLLECTIVE BARGAINING

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

The Department of Human Resources Development (HRD) opposes SB2114 SD2, which repeals the prohibition on employees exempt from civil service law from grieving a suspension or discharge and would allow any employee who is a member of an appropriate bargaining unit to grieve any disciplinary action, unless prohibited by the applicable collective bargaining agreement. We respectfully oppose this measure for the following reasons:

- **Inconsistent with At-Will Employment** - Granting the right to grieve any disciplinary action, including a suspension or disciplinary discharge, to employees exempt from civil service is not consistent with the nature of their employment, which is considered "at will." Unlike civil service employees, exempt employees are not hired based on the merit principles, and their employment is contingent upon the appointing authority's discretion. Therefore, we believe attempts to make exempt employees equitable to civil servants is simply not fair to civil service employees who, unlike exempts, were required to meet the minimum qualifications for their job, had to compete for their job, were likely paid at the entry level upon hire, are required to serve a probationary period, and are required to have their performance formally evaluated, amongst other things. Furthermore, exempt employees are, at the time of hire, informed of their at will status. HRD's P&P instructs departments to clearly indicate in exempt job announcements, the employment is "at will" and to provide exempt employees a written notice of their at will status.

- **Existing Legal Protections** - While “at will” employment allows for discharge at the employer’s prerogative, all actions taken against exempt employees must still comply with federal and state employment laws. This ensures protection against unlawful employment practices.
- **Contrary to Current Collective Bargaining Agreements (CBA)** – The current BU 3, 4, 13 and 14 CBAs address discipline for exempt employees, including allowing them to grieve if they meet certain conditions. Under HRS §89-19, the CBA “...shall take precedence over all conflicting statutes... and shall preempt all contrary local ordinances, executive orders, legislation, or rules adopted by the State, a county, or any department or agency thereof...”. Therefore, utilizing the legislative process to address matters which are negotiable subjects of collective bargaining is contrary to HRS §89-9; and undermines the collective bargaining process. This subject should continue to be addressed through negotiations.
- **Broad Application of “Discharge”** - Under Act 253, SLH 2000, the term “discharge” replaced “dismissal” and “termination” and applies broadly, covering both misconduct-related and administrative separations such as at the conclusion of a temporary appointment, at the end of a not-to-exceed (NTE) period, or resignation. Although this measure would limit the right to grieve to disciplinary discharges, it is highly likely that exempt employees will allege their discharge is disciplinary, even if there is no evidence of progressive discipline or misconduct, leading to unnecessary expense and resources.
- **Job Security Distinctions** - Exempt employees should not be afforded the same job protections as civil service employees, as outlined in HRS §76-1. While we acknowledge the use of exempt positions may have strayed from its original intent and the number of exempt employees has grown, we do not believe that the increased number of exempt employees justifies why they should be afforded the same job protections afforded to civil service employees. The civil service system is designed to provide job security based on the merit principle, which does not apply to exempt positions.

HRD respectfully requests that the Committee hold this measure. We are available to answer any questions or provide further information as needed.

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

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



J.N. MUSTO, PhD
CHIEF NEGOTIATOR
KE PO'O KUKAKUKA

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
OFFICE OF COLLECTIVE BARGAINING
KE KE'ENA MĀLAMA LIMAHANA AUPUNI
EXECUTIVE OFFICE OF THE GOVERNOR
235 S. BERETANIA STREET, SUITE 1201
HONOLULU, HAWAII 96813-2437

Statement of
J.N. Musto, PhD
Chief Negotiator, Office of Collective Bargaining

Before the
HOUSE COMMITTEE ON LABOR
Thursday, March 19, 2026
9:35AM
State Capitol, Conference Room 309

In consideration of
SB2114 SD2, Relating to Collective Bargaining

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

The Office of Collective Bargaining (OCB) appreciates the intent of SB2114 SD2, which repeals the prohibition on employees exempt from civil service law from grieving a suspension or discharge and would allow any employee who is a member of an appropriate bargaining unit to grieve any disciplinary action, unless prohibited by the applicable collective bargaining agreement. However, OCB offers the following comments:

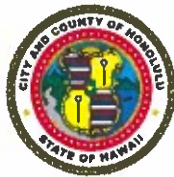
- OCB shares the same concerns raised by HRD.
- Some of the CBAs already contain negotiated provisions that would prevent exempt employees from grieving a discharge. For example, bargaining units 3, 4, 13 and 14, include criteria in its discipline article that would, at least for the State executive branch, prevent most, if not all, exempt employees from grieving a discharge. Therefore, should this measure pass, it would have no effect unless the parties negotiate its removal or amendment.

Thank you for the opportunity to provide testimony on this measure.

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

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ASSISTANT DIRECTOR
KOKUA PO'O

March 18, 2026

The Honorable Jackson D. Sayama, Chair
The Honorable Mike Lee, Vice Chair
and Members of the House Committee on Labor
The House of Representatives
State Capitol
415 South Beretania Street, Room 309
Honolulu, Hawai'i 96813

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

**SUBJECT: Senate Bill No. 2114, Senate Draft 2
Relating to Collective Bargaining**

The Department of Human Resources, City and County of Honolulu, respectfully **opposes** Senate Bill No. 2114, Senate Draft 2.

Senate Bill No. 2114, Senate Draft 2, 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. The bill would allow any employee who is a member of an appropriate bargaining unit to grieve any disciplinary action, including but not limited to a suspension or disciplinary discharge.

This issue is currently a subject of collective bargaining. Historically, the Legislature has allowed issues subject to collective bargaining to remain subject to collective bargaining, rather than taking legislative action. The current law **does not prohibit** exempt employees from grieving a suspension or discharge. It leaves this matter to be negotiated between the exclusive representative and the employer group.

Further, exempt employees are not hired using the same competitive process as civil service employees. Civil service employees qualify for their positions under the personnel system based on the merit principle specified by Hawai'i Revised Statutes (HRS) § 76-1. In contrast, the hiring of exempt employees does not require the same competitive hiring practices and is left to the appointing authority. Accordingly, civil service employees are afforded certain specified job protections based on their civil service status. Exempt employees should not receive identical benefits without having undergone the same process.

The Honorable Jackson D. Sayama, Chair
The Honorable Mike Lee, Vice Chair
and Members of the House Committee on Labor
March 18, 2026
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As a final note, even if the relevant collective bargaining agreement does not currently allow an exempt employee from grieving a disciplinary action, all employees are still protected by applicable federal and state employment laws.

We thank you for giving us the opportunity to submit our testimony in opposition to this matter.

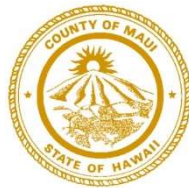
Sincerely,

A handwritten signature in black ink that reads "Nola N. Miyasaki". The signature is written in a cursive, flowing style.

Nola N. Miyasaki
Director

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director



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COUNTY OF MAUI
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www.mauicounty.gov

TO: Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair
House Committee on Labor

FROM: Richard T. Bissen, Jr., Mayor
Cynthia M. Razo-Porter, Director of Personnel Services

DATE: March 18, 2026

SUBJECT: **OPPOSITION OF SB2114 SD2, RELATING TO COLLECTIVE BARGAINING**

The Act repeals the prohibition placed on certain employees exempt from Civil Service Law from grieving a suspension or discharge. Allows any employee who is a member of an appropriate bargaining unit to grieve any disciplinary action, unless prohibited by the applicable collective bargaining agreement.

We **OPPOSE** this measure for the following reasons:

1. Employees exempt from civil service are, by definition, at-will employees. Extending grievance rights for suspensions or discharges to these employees is inconsistent with that status and undermines the purpose of the civil service framework. Unlike classified employees, exempt employees are not hired pursuant to the merit principle and are not afforded civil service protections.
2. At-will employment does not mean the absence of accountability. Personnel actions involving exempt employees remain fully subject to applicable federal and state employment laws. In addition, exempt employees already have established mechanisms to challenge suspensions or discharges through their employing department's Internal Complaint Procedure, with further appeal rights available through the Merit Appeals Board.

Thank you for the opportunity to testify on this measure.



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Executive Director

TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON LABOR

Item: SB 2114, SD2 – Relating to Collective Bargaining

Position: Support

Hearing: Thursday, March 19, 2026, 9:35 am, Room 309

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

Dear Chair Sayama, Vice Chair Lee and members of the committee,

The Hawai'i State Teachers Association (HSTA) **supports** S.B. 2114, SD2. This bill ensures that all public employees who are members of a bargaining unit have the clear right to use the grievance process for any disciplinary action.

HSTA believes that every member covered by a collective bargaining agreement deserves access to a fair and transparent process when facing suspension or discharge. By clarifying these rights, this measure protects workers from arbitrary discipline and ensures that due process is a standard protection for all bargaining unit members.

HSTA supports this effort to provide uniform protections across our bargaining units and respectfully requests the passage of this bill.

Mahalo.



The House Committee on Labor
March 19, 2026
Room 309
9:35 AM

RE: SB 2114 SD2, Relating to Collective Bargaining

Attention: Chair Jackson D. Sayama, Vice Chair Mike Lee, Members of the
Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **supports SB 2114 SD2.**

SB 2114 SD1 provides clarity to Chapter 89, HRS, §89-10.8, by affirming that all public employees are afforded the statutory right to due process and the ability to challenge any disciplinary actions taken against them regardless of their exemption from civil service.

UHPA supports the passage of SB 2114 SD2.

Respectfully submitted,

Christian L. Fern
Executive Director
University of Hawaii Professional Assembly

**University of Hawaii
Professional Assembly**



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

**HOUSE OF REPRESENTATIVES
THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026**

COMMITTEE ON LABOR
Rep. Jackson D. Sayama, Chair
Rep. Mike Lee, Vice Chair

Thursday, March 19, 2026, 9:35 AM
Conference Room 309 & Videoconference

Re: Testimony on SB2114, SD2 – RELATING TO COLLECTIVE BARGAINING

Chair Sayama, 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 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 supports SB2114, SD2, which repeals the prohibition placed on certain employees exempt from Civil Service Law from grieving a suspension or discharge. Additionally, this bill allows any employee who is a member of an appropriate bargaining unit to grieve any disciplinary action, unless prohibited by the applicable collective bargaining agreement.

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

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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 House of Representatives
Committee on Labor

Testimony by
Hawaii Government Employees Association

March 19, 2026

S.B. 2114, S.D. 2 — RELATING TO COLLECTIVE BARGAINING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2114, S.D. 2, 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 any disciplinary action, unless the collective bargaining agreement specifically provides otherwise.

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 due to our lethargic civil service hiring process, and our states inability to increase civil service 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 positions within the State Executive Branch under the personnel system administered by DHRD, today there is 2306 exempt positions, 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 and applicable collective bargaining agreements (CBA) prohibits many exempt employees from appealing any disciplinary action through the grievance process, effectively making exempt employees "at will" and not subject to just cause. This measure would provide a clear path for the exclusive representative to negotiate with the employer to allow exempt employees to receive just cause protections.

Thank you for the opportunity to provide testimony in strong support of S.B. 2114, S.D. 2.

Respectfully submitted,


Randy Perreira
Executive Director



HAWAII STATE AFL-CIO

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March 19, 2026

The Thirty-Third Legislature
The House of Representatives
Committee on Labor

SUBJECT: TESTIMONY IN SUPPORT OF SB2114 SD2 – RELATING TO COLLECTIVE BARGAINING

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

The Hawaii State AFL-CIO supports SB2114 SD2 because all public employees should have access to due process and the ability to challenge disciplinary actions.

Current law creates a gap where certain exempt employees, despite being covered by collective bargaining agreements, are denied access to grievance procedures when facing suspension or discharge. This results in inconsistent treatment across the workforce and departs from the standard of fairness applied to civil service employees.

Some may argue that exempt employees are intended to serve at-will due to the nature of their appointment. In practice, many of these positions now function alongside civil service roles and are subject to the same workplace expectations. Maintaining a separate standard for discipline in these circumstances is neither practical nor equitable.

This measure brings consistency to how discipline is handled by ensuring that employees covered by collective bargaining agreements have access to the same basic protections. It does not remove management authority but reinforces a fair process for resolving disputes.

Respectfully submitted,

A handwritten signature in black ink that reads "Randy Perreira".

Randy Perreira
President
Hawaii State AFL-CIO