

DAVID Y. IGE  
GOVERNOR



JAMES K. NISHIMOTO  
CHIEF NEGOTIATOR

**STATE OF HAWAII  
OFFICE OF COLLECTIVE BARGAINING  
EXECUTIVE OFFICE OF THE GOVERNOR  
235 S. BERETANIA STREET, SUITE 1201  
HONOLULU, HAWAII 96813-2437**

August 28, 2017

TESTIMONY TO THE  
HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT AND  
HOUSE COMMITTEE ON FINANCE  
For Hearing on Wednesday, August 30, 2017  
1:00 p.m., Auditorium

By

JAMES K. NISHIMOTO  
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**Senate Bill No. 2  
Relating to Public Employment Cost Items**

**(WRITTEN TESTIMONY ONLY)**

CHAIRPERSONS JOHANSON AND LUKE, VICE CHAIRS HOLT AND CULLEN AND  
MEMBERS OF THE COMMITTEES:

This bill provides fund authorization and appropriation for collective bargaining cost items for bargaining units (1) and (10) and their excluded counterparts for fiscal biennium 2017 – 2019.

The Office of Collective Bargaining (OCB) is **IN SUPPORT** of this bill.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

LAUREL A. JOHNSTON  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEES ON LABOR & PUBLIC EMPLOYMENT  
AND FINANCE  
ON  
SENATE BILL NO. 2  
FIRST SPECIAL SESSION OF 2017

**August 30, 2017**  
**1:00 p.m.**  
**Capitol Auditorium**

RELATING TO PUBLIC EMPLOYMENT COST ITEMS

The purpose of this measure is to appropriate and authorize funds for collective bargaining cost items for salary adjustments and other cost adjustments for public employees in Bargaining Units (BU) 1 and 10 and their excluded counterparts for Fiscal Biennium 2017-19.

The Department of Budget and Finance supports this measure.

The employer received notification of ratification by their members for the collective bargaining agreements with BU 10 on August 3, 2017 and BU 1 on August 14, 2017.

Thank you for your consideration of our comments.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Labor & Public Employment  
and  
House Committee on Finance

Wednesday, August 30, 2017 at 1:00 p.m., Auditorium  
by  
Kalbert K. Young  
Vice President for Budget & Finance/Chief Financial Officer  
University of Hawai'i System

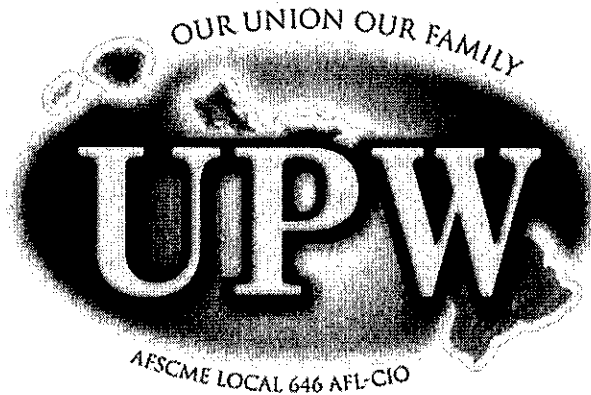
### WRITTEN ONLY

#### SB 2 – RELATING TO PUBLIC EMPLOYMENT COST ITEMS

Chairs Johanson and Luke, Vice Chairs Holt and Cullen, and members of the Committees:

Thank you for this opportunity to testify. The University of Hawai'i **supports** SB 2, Relating to Public Employment Cost Items. This bill appropriates funds for collective bargaining cost items and other public employment costs for Units (1) and (10) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2017-2019.

Thank you for your time and consideration.



THE HAWAII STATE HOUSE OF REPRESENTATIVES  
The Twenty-Ninth Legislature  
First Special Session of 2017

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Members of the Committee

COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair  
Representative Ty J.K. Cullen, Vice Chair  
Members of the Committee

DATE OF HEARING: Wednesday, August 30, 2017  
TIME OF HEARING: 1:00 p.m.  
PLACE OF HEARING: State Capitol Auditorium

TESTIMONY ON SENATE BILL 2 RELATING TO PUBLIC EMPLOYMENT COST ITEMS

By DAYTON M. NAKANELUA,  
State Director of the United Public Workers,  
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive bargaining representative for approximately 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members in the private sector.

SB2 Relating to Public Employment Cost items makes appropriations for BU-01 and BU-10 collective bargaining cost items for fiscal biennium 2017-2019. The UPW strongly supports this appropriations measure and asks that the committee pass it.

Thank you for the opportunity to submit this testimony.

SB 3

Testimony

DAVID Y. IGE  
GOVERNOR



JAMES K. NISHIMOTO  
CHIEF NEGOTIATOR

**STATE OF HAWAII**  
**OFFICE OF COLLECTIVE BARGAINING**  
**EXECUTIVE OFFICE OF THE GOVERNOR**  
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August 28, 2017

TESTIMONY TO THE  
HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT AND  
HOUSE COMMITTEE ON FINANCE  
For Hearing on Wednesday, August 30, 2017  
1:00 p.m., Auditorium

By

JAMES K. NISHIMOTO  
OFFICE OF COLLECTIVE BARGAINING, CHIEF NEGOTIATOR

**Senate Bill No. 3**  
**Relating to Public Employment**

**(WRITTEN TESTIMONY ONLY)**

CHAIRPERSONS JOHANSON AND LUKE, VICE CHAIRS HOLT AND CULLEN AND  
MEMBERS OF THE COMMITTEES:

This bill provides fund authorization and appropriation for collective bargaining cost items for bargaining unit (7) and their excluded counterparts for fiscal biennium 2017 – 2019.

The Office of Collective Bargaining (OCB) is **IN SUPPORT** of this bill.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

LAUREL A. JOHNSTON  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
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**STATE OF HAWAII**  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEES ON LABOR & PUBLIC EMPLOYMENT  
AND FINANCE  
ON  
SENATE BILL NO. 3  
FIRST SPECIAL SESSION OF 2017**

**August 30, 2017  
1:00 p.m.  
Capitol Auditorium**

**RELATING TO PUBLIC EMPLOYMENT**

The purpose of this measure is to appropriate and authorize funds for collective bargaining cost items for salary adjustments and other cost adjustments for public employees in Bargaining Unit 7 and their excluded counterparts for Fiscal Biennium 2017-19.

The Department of Budget and Finance supports this measure.

The collective bargaining agreement for Unit 7 was ratified by their members on June 19, 2017.

Thank you for your consideration of our comments.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Labor & Public Employment  
and  
House Committee on Finance

Wednesday, August 30, 2017 at 1:00 p.m., Auditorium  
by

Kalbert K. Young  
Vice President for Budget & Finance/Chief Financial Officer  
University of Hawai'i System

### WRITTEN ONLY

#### SB 3 – RELATING TO PUBLIC EMPLOYMENT

Chairs Johanson and Luke, Vice Chairs Holt and Cullen, and members of the Committees:

Thank you for this opportunity to testify. The University of Hawai'i **supports** SB 3, Relating to Public Employment Cost Items. This bill appropriates funds for collective bargaining cost items and other public employment costs for Unit (7) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2017-2019.

Thank you for your time and consideration.





The House Committee on Labor & Public Employment

And

The House Committee on Finance

Wednesday, August 30, 2017

Auditorium

1:00 p.m.

**RE: SB 3 Relating to Public Employment**

Attention: Chairs Aaron Ling Johanson and Sylvia Luke, Vice Chairs Daniel Holt  
and

Ty Cullen and Members of the Committees

The University of Hawaii Professional Assembly (UHPA) appreciates the consideration the legislature has extended to faculty members during this special session. We respectfully request the Committee **support passage of SB 3** which is a measure to appropriate funds for fiscal biennium 2017-2019 for salary costs for public employees in collective bargaining unit (7) and for certain employees excluded from collective bargaining.

UHPA requests the committee **support SB 3**.

Sincerely,

Kristeen Hanselman  
Executive Director

University of Hawaii  
Professional Assembly

**Roth Puahala**

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**From:** Unhee Lim <unheelim@gmail.com>  
**Sent:** Monday, August 28, 2017 12:37 PM  
**To:** LABtestimony  
**Subject:** testimony in support of SB3

Dear Legislators,

I ask for your support for SB3 at the Aug 28 and 30 hearings and discussions afterwards.

Respectfully,  
Unhee Lim

Associate Professor and BU7 member  
University of Hawaii at Manoa



Labor and Ways and Means Committee  
 Senate Bill 3, Monday, August 28, 2017  
 Conference Room 211

**Distinguished Committee Members:**

I am an astronomer (PhD in astronomy from the University of Texas in Austin) employed at UH Manoa as a "casual hire" for the past two years, payed on a per-credit rather than a salaried basis. I must teach a minimum of seven (7) credit hours each semester to qualify for benefits, including medical and participation in the pension fund. At present, I teach a total of ten (10) credit hours.

This semester, typical of most, I instruct over 400 UG students, who take one of my two semester (one academic year) physics sequence, in order to satisfy the requirements for their pre-medical, pre-dental, engineering and other "hard" sciences degrees. The majority of full-time faculty in my department teach at most one UG class and/or one graduate-level class or seminar, instructing less than 30 students. Yet I earn approximately only two thirds of the department's minimum yearly salary.



	Contracts	Salary Data	Benefits	Issues	Workplace	News	Abn
DEPARTMENT	MINIMUM	85TH SILE	MEDIAN	75TH SILE	MAX		
NUMEROUS (CIC)	54054	60560	55618	107868	141068		
NURSING (UNH)	54084	12400	109577	125804	167953		
OCEAN & EARTH SCIENCE TECHNOLOGY (UHM)	10076	106716	133536	160410	200008		
UJ NEUROSCIENTIFIC (UHM)	63209	13298	60041	78379	107790		
PACIFIC & ASIAN STUDIES (UHM)	55840	78500	81000	114444	150612		
PACIFIC BIOSCIENCE RESEARCH CENTER (UHM)	60260	51024	64700	50373	228204		
SPACE INSTITUTE (UHM)	69184	92500	97016	141579	141824		
PHILSOOPHY (UHM)	11400	98905	105176	102081	117722		
PHYSICS & ASTRONOMY (UHM)	58252	94200	104976	128282	175890		

I ask that members of the LWM Committee recognize the disparity in salaries between "instructional" faculty and "research" faculty and make a concerted effort to compensate UH Manoa employees commensurate with their teaching duties as well as their research contributions to the university.

Sincerely,

*Mark H. Slovak*  
 Dr. Mark H. Slovak