

The House of Representatives  
The Twenty-Fifth Legislature  
Regular Session of 2009

Committee on Health

Rep. Ryan I. Yamane, Chair  
Rep. Scott Y. Nishimoto, Vice Chair

DATE: Friday, February 6, 2009  
TIME: 8:30 a.m.  
PLACE: House Conference Room 329  
State Capitol  
415 South Beretania Street

**TESTIMONY OF THE UNITED PUBLIC WORKERS, AFSCME,  
LOCAL 646, AFL-CIO ON H.B. 696 RELATING TO  
COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT**

My name is Dayton M. Nakanelua, and I am the state director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). In behalf of approximately 500 blue collar, non-supervisory employees from bargaining unit 1 and 2,900 institutional, health, and correctional workers from bargaining unit 10 who are currently employed by the Hawaii Health Systems Corporation (HHSC), the UPW strenuously opposes House Bill No. 696 which proposes to combine employees in bargaining units 1, 2, 3, 4, 9, 10, and 13 who are employed by HHSC into a single bargaining unit to be designated as bargaining unit 14. This measure disregards more than thirty-seven years of a stable collective bargaining relationship for health care in Hawaii, pits one union against another, and effectively encourages a

decertification process affecting exclusive bargaining representatives, without justification or good cause.

When collective bargaining was authorized in the public sector in 1970 lawmakers decided to establish thirteen bargaining units<sup>1</sup> by "occupational categories" based on "existing compensation plans, the nature of work involved, and the essentiality of services provided to the public" in part to maintain the merit principles and the principle of equal pay for equal work and to minimize jurisdictional disputes. See Sen. Stand. Comm. Rep. No. 745-70, 1970 Senate Journal. Following elections in bargaining units 1 and 10 in 1971 and 1972 the UPW was certified as the exclusive representative of employees in the State of Hawaii and the various counties in both units. Since then more than 16 successive agreements have been negotiated with public employers setting forth wages, hours, and other terms and conditions of employment for employees, and a stable relationship has evolved.

After HHSC was established in 1996 (through chapter 323F), the collective bargaining statute was amended to include the board of directors of HHSC with a full vote under Section 89-6 (d) HRS, in the multi-employer bargaining process. In addition, HHSC was granted authority to negotiate supplemental agreements separately with the exclusive representatives under Section 89-6 (e), HRS. The involvement of HHSC in the multi-employer bargaining process to negotiate the master agreements has been highly productive because it includes HHSC in a broader inter-governmental context. At the same time the right to negotiate supplemental agreements affords the HHSC the required flexibility it needs to meet its special needs. We have worked

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<sup>1</sup> The number of employees by bargaining units as reported by the Hawaii Labor Relations Board is attached.

cooperatively with HHSC over the past 12 years recognizing the value of both uniformity and flexibility.

In the past two years we have had ongoing discussions with HHSC over their budget shortfalls. They have done extensive studies to indicate the basic reasons for the present fiscal crisis in health care. Public hearings have been held to discuss these causes. At no time has any HHSC official ever suggested that the fiscal challenge confronting HHSC is in any way linked to the collective bargaining process or the structure of the bargaining units established in 1970 under chapter 89. There is no evidence of any past jurisdictional conflicts in HHSC which has disrupted public services.

However, if this measure is adopted it places employees who do not share a community of interest in the same bargaining unit, and pits employee against employee, and union against union. Professional registered nurses will be placed in the same bargaining unit with blue collar, non-supervisory employees in spite of their obvious differences in role, training, and interests. It will cause a jurisdictional conflict between existing exclusive bargaining representatives, and will result in a decertification process of at least one of the labor organizations. This is an unprecedented course of action for the legislature, and we respectfully urge you not to adopt House Bill No. 696.