



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Thirty First Legislature, State of Hawaii
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

April 1, 2022

S.B. 2819, S.D. 2, H.D. 2 - RELATING TO TEACHER COMPENSATION

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO raises serious concerns over the impact of S.B. 2819, S.D. 2, H.D. 2 which makes an appropriation to preemptively fund a memorandum of understanding to address compensation issues for senior public school and charter school teachers.

First, foremost, and most importantly, we continue to assert: all matters impacting an employee's wages, hours, and conditions of employment – including step movements and salary adjustments – are constitutionally protected mandatory subjects of collective bargaining. **Although this legislation may be beneficial for employees, it is wrong for the Legislature to preemptively fund a memorandum of understanding prior to it being bargained and agreed upon. To expound on this, we contend that the counter scenario holds true: it is equally wrong for the Legislature to cut salaries and benefits without it being bargained and agreed upon.** The appropriate venue to address these matters is the negotiations process that is reserved for the employer and the exclusive representative, and not via the Legislature.

We fully recognize that from top to bottom and across every jurisdiction, your government workforce is under compensated. The concerns raised over high vacancy rates, early retirements, and staff turnover are not exclusive to one classification or bargaining unit, rather they are systemic problems that are pervasive throughout our state. We agree that a competitive salary and benefits package can address the crux of these issues, and we have proffered a variety of policy solutions for the Legislature's consideration. However, it is unconstitutional for the Legislature to directly intervene in the bargaining process by increasing the wages of select professions at the direct expense of all other employees. Elevating some classifications over others will have a devastating ripple effect across government and can result in lopsided salaries where subordinates could be compensated at a higher rate than their supervisors. The possibility of the Legislature providing additional unequal funding over and above a negotiated agreement has upended and stalled efforts to resolve contracts for other bargaining units and unfairly disadvantages those units that already settled their contracts. Collective bargaining offers a holistic approach that ensures fairness and considers universal impact.

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Further, while this measure may temporarily entice senior teachers to remain in the profession for a few more years, it does not necessarily resolve the root issue of teacher retention since it allows for the possibility that senior teachers would elect to remain for three additional years to elevate their average final compensation on their pension before retiring. This is not a long-term, sustainable solution. Therefore, we respectfully echo the concerns raised by the Employees Retirement System and how these salary increases will undoubtedly exacerbate the state's unfunded liability by an estimated \$376 million.

We continue to remind the Legislature that it takes a community of staff to run a school. In addition to teachers, educational officers, and educational aides, students also rely on our school food service managers, security attendants, library and health assistants, school administrative support assistants, registered nurses, clinical and school psychologists, behavioral specialists, speech-language pathologists, athletic trainers, and so many more who are excluded from the financial benefits contained in this legislation. All DOE employees play a critical role in educational excellence and similarly, all government employees equally serve our community. This divisive mentality of elevating some classifications over others is destructive and hampers morale.

Finally, this legislation sets a dangerous precedent and infringes upon constitutionally protected rights. The Legislature is overstepping its authority by backdoor negotiations and substituting itself for the employer to resurrect, fund, and force agreement on proposals that the parties were unable to agree upon at the bargaining table.

For these reasons, while meritorious and rooted with good intent, we firmly insist that these important matters impacting wages must be bargained. Thank you for the opportunity to testify on S.B. 2819, S.D. 2, H.D. 2.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Randy Pereira', with a stylized flourish at the end.

Randy Pereira
Executive Director