



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Before the
House Committee on Labor and Public Employment
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SB 638 SD1 – RELATING TO COLLECTIVE BARGAINING

Chair Nakashima, Vice Chair Keohokalole, and Members of the House Committee on Labor and Public Employment:

We hereby provide the following testimony regarding Senate Bill 638, Senate Draft 1 – Relating to Collective Bargaining which proposes to amend HRS, §89-6, to create a new bargaining unit (15) to effectively allow “graduate student assistants employed by the University of Hawai'i” to be included in public sector collective bargaining as provided for in HRS, Chapter 89 included in an appropriate bargaining unit, effective 12/31/16; and requires the Director of the State's Department of Human Resources Development to establish a working group to submit recommendations on the rights and privileges of individuals in collective bargaining unit (15) to the Legislature. The University opposes this measure.

In deliberating on the approach to allow university-employed graduate student assistants to be included for collective bargaining, there are several issues that the Legislature, the University, and the State taxpayers must consider. From an employment perspective, first consider the rationality of requiring the State and University to collectively bargain employment with employed students – in this case, graduate student assistants. The University's graduate student assistants are unlike any other employees of the State. Graduate student assistants are student learners employed as part of their education and training. Graduate student assistants are mentored and supervised by rank 3, 4, and 5 Faculty members who all hold Ph.D.'s and have many years of proven professional competence and experience, including evidence of proficiency in teaching. Part of the role of University mentors is to teach graduate assistants how to engage the disciplinary subject matter with the goal of preparing them to find employment as academic professionals with competitive skills in areas such as research, teaching, database management, etc. A graduate assistantship is a form of on-the-job training or apprenticeship training program. Most faculty have completed a teaching or research assistantship as part of their graduate education. A research assistantship is a time bound activity, lasting only as long as a person is enrolled in a graduate program. There are not long term career opportunities for graduate student assistants at the University.

The duties and assignments of a graduate assistant differ from that of a faculty member. Our faculty members in ranks 3, 4, and 5 who mentor graduate student assistants are professionals required to teach classes and/or develop research programs without supervision or oversight. The purpose of an assistantship is to train and mentor a student in

to specific skill sets with the explicit goal of increasing their competitiveness as they enter their professional academic career. .

Secondly, from a collective bargaining perspective, there still remains outstanding statutory issues that will need to be addressed. For example, the definition of the employer and employer votes under HRS, §89-6(d) if such a new bargaining unit 15 were to be created. In addition, the resolution of disputes and impasses for this new bargaining unit 15 would need to be determined. Currently, three (3) of the existing fourteen (14) existing bargaining units (i.e. Units 1, 5 and 7) have retained their right to strike while all other bargaining units are subject to interest arbitration (i.e. 2, 3, 4, 6, 8, 9, 10, 11, 12, 13 & 14). Therefore, the other issues that would need to be addressed in the proposed legislation include the mechanism for dispute resolution and impasse procedure (i.e., right to strike or interest arbitration) for the new bargaining unit (15) under HRS, §89-11, and recognition, representation, and employee participation under HRS, §89-8.

Thirdly, the State of Hawai'i and the University of Hawai'i must somberly consider the financial implications of student employees such as graduate student assistants in HRS, Chapter 89, the State's public sector collective bargaining law. There will be significant cost increases for both the University and the State of Hawai'i should the Legislature decide that student assistants are indeed employees with a right to collectively bargain.

Graduate student assistants of the University are currently compensated via a package that includes a variety of benefits. Current compensation for graduate student assistants varies upon individual circumstances of the student. University graduate student assistants receive tuition waivers that are valued between \$458 to \$1,382 per credit hour per semester, depending upon their residency status. Factors such as whether the student is a Hawai'i resident or non-resident will increase the value of the tuition waiver benefit. For example, full time resident graduate student tuition ranges between \$5,500.00 to \$9,000.00 per semester while non-resident tuition ranges between \$13,400.00 to \$16,600 per semester. Graduate student assistants may also receive a monetary stipend that can vary by the educational program in which they are enrolled. The current level of compensation is a significant cost to the University and a significant amount of the financial assistance provided to graduate student assistants.

Mandatory subjects of bargaining include wages, hours, conditions of employment and fringe benefits, and all such become "cost items" subject to legislative appropriations pursuant to HRS, §89-10(b). For example, membership in the State Employees' Retirement System as provided to employees in Chapter 88, HRS, may add pension contribution costs to the State and employee. As with other bargaining unit members, enrollment in the Employer-Union Trust Fund for health insurance benefits will also add increased expenses to the University for contributions, and to the State for total liability of the system. Additionally, all compensation collectively bargained for can be treated as wages that will be subject to employment and income taxes – an issue graduate assistants may not be considering as it relates to tuition waivers.

The Legislature must consider the additional expenses incurred above the current operational costs in the creation of a 15th bargaining unit. Adding collective bargaining components to graduate student assistants, who are first and foremost students and are

employed as an extension of their student experience at the University, will increase State general fund demand while simultaneously increasing University operational expenses.

Finally, in the event that a collective bargaining unit (15) working group is created by the Director of Human Resources Development, the University respectfully requests that an equal amount of University officials be part of the working group.

We respectfully request the House Committee on Labor and Public Employment defer any further action on this measure.

Thank you for the opportunity to testify on this bill.