



THE HAWAII STATE HOUSE OF REPRESENTATIVES

The Thirtieth Legislature
Regular Session of 2019

Committee on Labor & Public Employment

Representative Aaron Ling Johanson, Chair
Representative Stacylynn K.M. Eli, Vice Chair

Committee on Health

Representative John Mizuno, Chair
Representative Bertrand Kobayashi, Vice Chair

Date of Hearing: Thursday, March 14, 2019
Time of Hearing: 8:30 a.m.
Place of Hearing: Conference Room 329
State Capitol

TESTIMONY ON SB816, SD2 RELATING TO THE DEPARTMENT OF HEALTH

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 four counties. The UPW also represents about 1,500 members in the private sector.

SB816, SD2 appropriates funds to resolve the compensation differential for certain union members for the modified terms, conditions and compensation practices caused by the transfer of the use and exclusive management and operations of Maui Memorial Medical

Center, Kula Hospital, and Lanai Community Hospital from the Hawaii Health Systems Corporation to Maui Health system.

The UPW **strongly supports** this measure.

Thank you for the opportunity to submit this testimony.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

LATE

ON THE FOLLOWING MEASURE:

S.B. NO. 816, S.D. 2, RELATING TO THE DEPARTMENT OF HEALTH.

BEFORE THE:

HOUSE COMMITTEES ON LABOR AND PUBLIC EMPLOYMENT AND ON HEALTH

DATE: Thursday, March 14, 2019 **TIME:** 8:30 a.m.

LOCATION: State Capitol, Room 329

TESTIFIER(S): Clare E. Connors, Attorney General, or
James E. Halvorson, Deputy Attorney General

Chairs Johanson and Mizuno and Members of the Committees:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to appropriate \$1,706,250 for fiscal year 2019 – 2020 to the Hawaii Health Systems Corporation (HHSC) to provide a one-time lump sum payment differential of \$3,250 to employees of Maui Health System, a Kaiser Foundation Hospital, LLC (Kaiser Maui) in bargaining units (1) and (10), who were affected by the transfer of the use and exclusive management and operations of Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital from the HHSC to Kaiser Maui.

The title of this bill is “RELATING TO THE DEPARTMENT OF HEALTH.” Article III, section 14, of the State Constitution provides that “[e]ach law shall embrace but one subject, which shall be expressed in its title.” This bill gives a one-time, lump sum differential to employees of Kaiser Maui. The appropriation would be through HHSC. Although HHSC is an attached agency to the Department of Health, the nexus between this bill and the Department of Health is tenuous at best and, therefore, the bill could be subject to constitutional challenge.

To avoid a potential constitutional challenge on this issue we would recommend that the Legislature find another vehicle with a more appropriate title for this bill.



LATE

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

Testimony of **Ford Fuchigami**
Administrative Director, Office of the Governor

Before the
House Committee on Labor & Public Employment
House Committee on Health
March 14, 2019
8:30 a.m., Conference Room 229

In consideration of
Senate Bill 816, SD 2
RELATING TO THE DEPARTMENT OF HEALTH

Chair Johanson, Chair Mizuno, Vice Chair Eli, Vice Chair Kobayashi and committee members:

Thank you for the opportunity to submit testimony in support of the intent of this measure with comments.

Senate Bill 816 seeks to appropriate funds to resolve the compensation differential for certain union members for the modified terms, conditions and compensation practices caused by the transfer of the use and exclusive management and operations of Maui Memorial medical center, Kula hospital and Lanai community hospital from the Hawaii health systems corporation to Maui Health System.

While a supplemental agreement was never completely executed between the included parties, the Governor believes that the members of the United Public Workers Union who were affected by the transfer of the use and exclusive management and operations of Maui Memorial medical center should be recognized for their service to the State of Hawaii and its people. Those members have relinquished their rights and benefits of working for the State of Hawaii and have assisted in smoothing the transition process.