



**STATE OF HAWAII
DEPARTMENT OF EDUCATION**

P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

June 3, 2021

TO: The Honorable Catherine Payne
Chairperson, Board of Education

FROM: Dr. Christina M. Kishimoto
Superintendent

A blue ink signature of Dr. Christina M. Kishimoto, written in a cursive style.

SUBJECT: **Board Action on Bargaining Unit 5 Tentative Agreement, Hawaii State Teachers Association Successor Agreement for Contract Period July 1, 2021 to June 30, 2023**

1. EXECUTIVE SUMMARY

The bargaining unit 5 (BU 5) collective bargaining agreement (CBA) between the State of Hawaii, Board of Education (BOE), and the Hawaii State Teachers Association (HSTA) is scheduled to expire on June 30, 2021. The parties have been engaged in successor bargaining to renew the CBA, and on May 22, 2021, a tentative agreement (TA) was reached for the contract period July 1, 2021 to June 30, 2023.

2. BACKGROUND

Under §89-6 (d) of the Hawaii Revised Statutes (HRS), to negotiate a collective bargaining agreement for BU 5, the governor shall have three votes, the board of education shall have two votes, and the superintendent of education shall have one vote.

On July 23, 2020, the BOE authorized Board Member Margaret Cox to represent the BOE in successor bargaining with the HSTA.

On December 10, 2020, the parties exchanged proposals that initiated the process for successor bargaining. The Hawaii Labor Relations Board (HLRB) declared an impasse on February 3, 2021. Soon after, the HSTA sought assistance from the

Federal Mediation & Conciliation Services (FMCS) to assist the parties towards a mutual resolution.

With assistance from FMCS, the parties continued to have meaningful discussions, and on May 22, 2021, reached a TA that outlines the terms and conditions of the successor agreement. The HSTA is currently in the process of ratifying the TA and expects to know the outcome of the ratification process by June 9, 2021.

3. DISCUSSION

A summary of the terms and conditions of the two (2) year TA effective July 1, 2021 through June 30, 2023, are as follows (Attachment 1):

Effective July 1, 2021

- Article XX – Salaries (Attachment 2) – No increase to salary schedule from 7/1/2021 to and including 06/30/2023
- No renewal of Appendix VI – Additional Professional Development Hours (21-hours)
Funding for the 21-hours was not allocated by the 2021 Legislature
- Article XXI – Employer Union Trust Fund (EUTF) (Attachment 3)
 - Primary medical (medical, drug & chiro) (\$428.78-self; \$1,041.40-two party; \$1,327.70-family; 84.3% cap), other plans (i.e., dental, vision, dual coverage [medical & drug]) 60-40, except 100% life
 - HSTA VB Primary medical (medical, drug, vision & chiro) (\$378.66-self; \$916.72-two party; \$1,168.42-family), other plans (i.e., vision, dental, supplemental dental) 60-40, except 100% life

Effective July 1, 2022

- Article XXI – EUTF (Attachment 3)
 - Primary medical (medical, drug & chiro) amounts based on 60% of total premium of HMSA 80-20 medical plan (with drug & chiro) provided dollar amount shall not exceed 84.3% of total premium, other plans (i.e., dental, vision, dual coverage [medical & drug]) 60-40, except 100% life
 - HSTA VB Primary medical amounts (medical, drug, vision & chiro) based on 60% of total premium of HMSA VEBA 80-20 plan bundle, other plans (i.e., vision, dental, supplemental dental) 60-40, except 100% life

Duration

Article XXVIII – Duration (Attachment 4) – 2-year duration (7/1/2021 to 6/30/2023)

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4. RECOMMENDATION

The Hawaii State Department of Education recommends BOE approval of the TA for the BU 5 successor agreement for the contract period of July 1, 2021 to June 30, 2023.

CMK:sb

Attachments: 1. Tentative Agreement, Summary Sheet
 2. Article XX – Salaries
 3. Article XXI – Hawaii Employer-Union Health Benefits Trust Fund
 4. Article XXVIII – Duration

ATTACHMENT 1

Bargaining Unit 05
TENTATIVE AGREEMENT

Employer Roder Nade Christina Lindholm
Union OTIS Andrea Edstrom
Date May 22, 2021

Effective July 1, 2021

- a) Article XX – Salaries - No increase to salary schedule from 7/1/2021 to and including 6/30/2023. (Union Offer dated May 21, 2021)
- b) No renewal of Appendix VI – Additional Professional Development Hours (21 - hours)

Funding for the 21-hours was not allocated by the 2021 Legislature.

- c) Article XXI – EUTF (Employer Offer dated April 15, 2021)
Primary medical (medical, drug & chiro) (\$428.78-self; \$1,041.40-two party; \$1,327.70-family; 84.3% cap), other plans (i.e., dental, vision, dual coverage [medical & drug]) 60-40, except 100% life

HSTA VB Primary medical (medical, drug, vision & chiro) (\$378.66-self; \$916.72-two party; \$1,168.42-family), other plans (i.e. vision, dental, supplemental dental) 60-40, except 100% life

Effective July 1, 2022

Article XXI – EUTF (Employer Offer dated April 15, 2021)

Primary medical (medical, drug & chiro) amounts based on 60% of total premium of HMSA 80-20 medical plan (with drug & chiro) provided dollar amount shall not exceed 84.3% of total premium, other plans (i.e., dental, vision, dual coverage [medical & drug]) 60-40, except 100% life

HSTA VB Primary medical amounts (medical, drug, vision & chiro) based on 60% of total premium of HMSA VEBA 80-20 plan bundle, other plans (i.e. vision, dental, supplemental dental) 60-40, except 100% life

Duration

Article XXVIII – Duration - 2-year duration (7/1/2021 to 6/30/2023) (Union Offer dated May 21, 2021)

ATTACHMENT 2

Bargaining Unit 05
TENTATIVE AGREEMENT

Union [Signature] Andrea Chelman
 Employer [Signature] Robert D. [illegible]
 Date May 22, 2021

HSTA Proposal #26 - Revised
Final Settlement Offer
 May 21, 2021

Delete existing language in its entirety and replace with the following:

ARTICLE XX – SALARIES

- A.** The Bargaining Unit 5 salary schedules without additional professional development (PD) hours in effect at the end of the workday on June 30, 2021 shall be designated as Exhibit A for 10-month teachers and Exhibit AA for 12-month teachers.
- B.** The salary schedule designated as Exhibit A and Exhibit AA shall be effective for the period July 1, 2021 to and including June 30, 2023.
- 1.** 10-month teachers shall be placed on the corresponding step and class of Exhibit A.
 - 2.** 12-month teachers shall be placed on the corresponding step and class of Exhibit AA.
- C.** Notwithstanding paragraph J of this Article, there shall be no step movements or annual increments during the period July 1, 2021 to and including June 30, 2023.
- D.** Effective July 1, 2021, only teachers, including probationary teachers, rated at a "effective" or "highly effective" level of performance pursuant to Article VIII, shall be eligible for any pay increases in the year following the evaluation rating.



Any teacher who does not qualify for a pay increase as a result of receiving a marginal rating shall receive the appropriate compensation at the start of the school year after achieving a performance rating of "effective" or "highly effective." The pay increases shall not be retroactive.

Teachers rated "highly effective" on their annual evaluation shall be eligible to receive any future financial recognition of this professional accomplishment, which shall not be added to or increase base compensation, in accordance with the Department-developed process.

If there is a conflict with any other provision of this article, then this provision shall prevail. Teachers continue to have the opportunity to challenge adverse evaluations in accordance with Article VIII, Teacher Performance and Appendix - Expedited Appeals Process.

ATTACHMENT 2

Bargaining Unit 05
TENTATIVE AGREEMENT

Union 
Employer 
Date May 22, 2021

HSTA Proposal #26 - Revised
Final Settlement Offer
May 21, 2021

- 35 **E.** New hire teachers entering the salary schedule in 2021-2023 who hold a degree
36 with a SATEP shall be placed in Step 5. Those teachers with prior experience shall
37 be placed in the same step as in-service teachers with equivalent years of service.
38 No more than six (6) years of verified non-DOE teaching experience may be credited
39 as determined by the DOE.
40
- 41 **F.** Teachers on authorized leaves of absence shall be placed on the step they would
42 have been on had they remained in active service during each of the years of the
43 2021-2023 Agreement.
44
- 45 **G.** Teachers are required to comply with procedural responsibilities for teacher
46 licensing, certification and salary administration as specified in the Standard
47 Practices. Claims for verified salary underpayments filed by a teacher shall be paid
48 up to two (2) years retroactively from the date of filing, provided that the proper
49 documents to verify the salary underpayments were filed by the teacher. This
50 provision does not alter the Employer's statutory right to recover salary
51 overpayments.
52
- 53 **H.** Unless specifically modified in Appendix VII, Supplementary Pay, all differentials and
54 supplementary pay schedules in effect on the execution date of the Agreement will
55 remain in full force and effect for the duration of the Agreement.
56
- 57 **I.** Professional Development
58
- 59 **1.** Department of Education employees on initial appointments shall remain in class
60 for two (2) semesters prior to reclassification.
61
- 62 **2.** A combination of Professional Development (PD) credits and/or academic
63 credits approved by the Department may be used to change classification. The
64 credits must be pre-approved by the administrator and started and completed
65 while employed.
66
- 67 **3.** Teachers shall earn fifteen (15) PD and/or academic credits to move from one
68 classification to the next classification. Teachers shall receive no more than one
69 reclassification per semester and may be granted up to two (2) reclassifications
70 per school year. The teacher shall serve one semester time-in-class per
71 reclassification.

ATTACHMENT 2

Bargaining Unit 05
TENTATIVE AGREEMENT

Union [Signature]
 Employer [Signature]
 Date May 22, 2021

HSTA Proposal #26 - Revised
Final Settlement Offer
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- 72
73 **4.** Academic credits applied for reclassification should be related to the standards-
74 based instruction aligned to the school's design plan, and/or directly support
75 Department initiatives.

76 Note: The following are DOE clarifications:

77
78 a. Credits may be either academic credits (semester hours) or professional
79 development (PD) credits offered by the Professional Development Educate,
80 Empower, and Excel (PDE3). Credits designated as "non-PD hours" within
81 PDE3 cannot qualify for reclassification

82
83 b. Academic credits (semester hours) earned through universities/colleges
84 shall be applicable for reclassification if they are approved by the
85 administrator.

- 86
87 **J.** The parties recognize that annual incremental step movements are a viable
88 recruiting and retention tool. Teachers who are not at the top of the salary schedule
89 and who have effective evaluations shall move to the next highest step of the
90 corresponding class at the beginning of each school year. Annual incremental step
91 movements are subject to funding.

- 92
93 **K.** Eligibility for "pay increases" as used in paragraph D. of this Article shall include
94 salary schedule/across the board increases, step movements, annual increments,
95 and reclassification.
96

Bargaining Unit 05
TENTATIVE AGREEMENT

Employer [Signature]
Union [Signature]
Date May 22, 2021

ARTICLE XXI - HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Delete the existing language in this Article in its entirety and replace with the following:

A. "Health Benefit Plan" shall mean the medical PPO, HMO, prescription drug, dental, vision and dual coverage medical plans.

B. Effective July 1, 2021

Subject to the applicable provisions of Chapter 87A and 89, Hawaii Revised Statutes, the Employer shall pay monthly contributions which include the cost of any Hawaii Employer-Union Health Benefits Trust Fund (Trust Fund) administrative fees to the Trust Fund effective July 1, 2021, not to exceed the monthly contribution amount as specified below:

1. For each Employee-Beneficiary with no dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
<u>a. Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$428.78</u>
<u>b. Dental</u>	<u>\$ 22.14</u>
<u>c. Vision</u>	<u>\$ 3.68</u>
<u>d. Dual coverage (medical & drug)</u>	<u>\$ 22.74</u>
<u>e. VEBA* Dental</u>	<u>\$ 23.60</u>
<u>f. VEBA* Supplemental Dental</u>	<u>\$ 11.82</u>
<u>g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro)</u>	<u>\$ 378.66</u>

*** Plans for active employees formerly under the HSTA VEBA**

The Employer shall pay the same monthly contribution for each member enrolled in a self only medical plan (PPO or HMO), regardless of which plan is chosen; provided that the dollar amount contributed by the Employer shall not cause the employer share to exceed 84.3% of the total premium.

2. For each Employee-Beneficiary with one dependent-beneficiary enrolled in the following Trust Fund health benefit plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
<u>a. Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$1,041.40</u>
<u>b. Dental</u>	<u>\$ 44.28</u>
<u>c. Vision</u>	<u>\$ 6.84</u>
<u>d. Dual coverage (medical & drug)</u>	<u>\$ 42.90</u>
<u>e. VEBA* Dental</u>	<u>\$ 47.20</u>
<u>f. VEBA* Supplemental Dental</u>	<u>\$ 23.66</u>
<u>g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro)</u>	<u>\$ 916.72</u>

*** Plans for active employees formerly under the HSTA VEBA**

The Employer shall pay the same monthly contribution for each member enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is chosen; provided that the dollar amount contributed by the Employer shall not cause the employer share to exceed 84.3% of the total premium.

3. For each Employee-Beneficiary with two or more dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

BENEFIT PLAN	TOTAL EMPLOYER MONTHLY CONTRIBUTION
a. Medical (PPO or HMO) (medical, drug & chiro)	\$1,327.70
b. Dental	\$ 72.78
c. Vision	\$ 8.94
d. Dual coverage (medical & drug)	\$ 46.72
e. VEBA* Dental	\$ 77.66
f. VEBA* Supplemental Dental	\$ 35.50
g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro)	
	\$ 1,168.42
* Plans for active employees formerly under the HSTA VEBA	

The Employer shall pay the same monthly contribution for each member enrolled in a family medical plan (PPO or HMO), regardless of which plan is chosen; provided that the dollar amount contributed by the Employer shall not cause the employer share to exceed 84.3% of the total premium.

4. For each Employee-Beneficiary enrolled in the Trust Fund group life insurance plan, the Employer shall pay \$4.12 per month which reflects one hundred percent (100%) of the monthly premium and any administrative fees.

C. Effective July 1, 2022

Subject to the applicable provisions of Chapter 87A and 89, Hawaii Revised Statutes, effective July 1, 2022 for plan year 2022-2023, with the exception of Items C1f., C1g., C2f., C2g., C3f., C3g., and C4., which shall be as described below, the Employer shall pay a specific dollar amount equivalent to sixty percent (60%) of the final premium rates established by the Trust Fund Board for the respective health benefit plan, plus sixty percent (60%) of any administrative fees.

1
2 **1. The amounts paid by the Employer shall be based on the plan**
3 **year 2022-2023 final monthly premium rates established by the Trust Fund**
4 **for each Employee-Beneficiary with no dependent-beneficiaries enrolled in**
5 **the following Trust Fund health benefit plans:**

6
7 **BENEFIT PLAN**

- 8
9 **a. Dental**
10 **b. Vision**
11 **c. Dual coverage (medical & drug)**
12 **d. VEBA* Dental**
13 **e. VEBA* Supplemental Dental**
14 **f. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall**
15 **pay the same monthly contribution for each member enrolled in a self only**
16 **medical plan, regardless of which plan is chosen. The amount shall be**
17 **based on 60% of the total premium of the HMSA 80-20 medical plan (with**
18 **drug & chiro), provided that the dollar amount contributed by the Employer**
19 **shall not cause the employer share to exceed 84.3% of the total premium.**
20 **g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro)**
21 **the Employer shall pay 60% of the total premium of HMSA VEBA 80-20 plan**
22 **bundle regardless of which VEBA plan is chosen.**

23 *** Plans for active employees formerly under the HSTA VEBA**

24
25 **2. The amounts paid by the Employer shall be based on the plan**
26 **year 2022-2023 final monthly premium rates established by the Trust Fund**
27 **for each Employee-Beneficiary with one dependent-beneficiary enrolled in**
28 **the following Trust Fund health benefit plans:**

BENEFIT PLAN**a. Dental****b. Vision****c. Dual coverage (medical & drug)****d. VEBA* Dental****e. VEBA* Supplemental Dental**

f. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall pay the same monthly contribution for each member enrolled in a two-party medical plan, regardless of which plan is chosen. The amount shall be based on 60% of the total premium of the HMSA 80-20 medical plan (with drug & chiro), provided that the dollar amount contributed by the Employer shall not cause the employer share to exceed 84.3% of the total premium.

g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro) the Employer shall pay 60% of the total premium of HMSA VEBA 80-20 plan bundle regardless of which VEBA plan is chosen.

*** Plans for active employees formerly under the HSTA VEBA**

3. The amounts paid by the Employer shall be based on the plan year 2022-2023 final monthly premium rates established by the Trust Fund for each Employee-Beneficiary with two or more dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

BENEFIT PLAN**a. Dental****b. Vision****c. Dual coverage (medical & drug)****d. VEBA* Dental**

1 e. VEBA* Supplemental Dental

2 f. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall
3 pay the same monthly contribution for each member enrolled in a family
4 medical plan, regardless of which plan is chosen. The amount shall be
5 based on 60% of the total premium of the HMSA 80-20 medical plan (with
6 drug & chiro), provided that the dollar amount contributed by the Employer
7 shall not cause the employer share to exceed 84.3% of the total premium.

8 g. VEBA* Medical (PPO or HMO) (medical, drug, vision & chiro)
9 the Employer shall pay 60% of the total premium of HMSA VEBA 80-20 plan
10 bundle regardless of which VEBA plan is chosen.

11 * Plans for active employees formerly under the HSTA VEBA

12
13 4. For each Employee-Beneficiary enrolled in the Trust Fund
14 group life insurance plan, the Employer shall pay one hundred percent
15 (100%) of the monthly premium and any administrative fees.

16
17 D. No later than three (3) weeks after the Trust Fund Board formally
18 establishes and adopts the final premium rates for Fiscal Year 2022-2023, the
19 Office of Collective Bargaining shall distribute the final calculation of the
20 Employers' monthly contribution amounts for each health benefit plan.

21
22 E. Payment for Plans Eliminated or Abolished. The Employer shall make
23 no payments for any and all premiums for any portion or part of a Trust Fund
24 health benefit plan that the Trust Fund Board eliminates or abolishes.

25
26 F. Rounding Employer's Monthly Contribution. Whenever the Employer's
27 monthly contribution (premium plus administrative fee) to the Trust Fund is less
28 than one hundred percent (100%) of the monthly premium amount, such monthly
29 contribution shall be rounded to the nearest cent as provided below:

1
2 **1. When rounding to the nearest cent results in an even amount,**
3 **such even amount shall be the Employer's monthly contribution. For example:**

4
5 **(a) \$11.397 = \$11.40 = \$11.40 (Employer's monthly contribution)**

6 **(b) \$11.382 = \$11.38 = \$11.38 (Employer's monthly contribution)**

7
8 **2. When rounding to the nearest cent results in an odd amount,**
9 **round to the lower even cent, and such even amount shall be the Employer's**
10 **monthly contribution. For example:**

11
12 **(a) \$11.392 = \$11.39 = \$11.38 (Employer's monthly contribution)**



13 **(b) \$11.386 = \$11.39 = \$11.38 (Employer's monthly contribution)**

14
15 **All employer contributions effective July 1, 2021 reflect the rounding**
16 **described in item F. Employer contributions effective July 1, 2022 shall be**
17 **rounded as described in item F. after the Trust Fund Board formally**
18 **establishes and adopts the final premium rates for Fiscal Year 2022-2023.**

19
20 **G. If an agreement covering periods beyond the term of this Agreement is**
21 **not executed by June 30, 2023, Employer contributions to the Trust Fund shall be**
22 **the same monthly contribution amounts paid in plan year 2022-2023 for the**
23 **Health Benefit Plan approved by the Trust Fund including any monthly**
24 **administrative fees.**

ATTACHMENT 4

Bargaining Unit 05
TENTATIVE AGREEMENT

Union  Andrea Schulman
Employer  Victor M. Cristobal
Date May 22, 2021

HSTA Proposal #29 – Revised
Final Settlement Offer
May 21, 2021

1

2 **Delete *the existing language in this Article in its entirety and replace with the***
3 ***following:***

4

5 **ARTICLE XXVIII – DURATION**

6

7 This Agreement shall become effective as of July 1, 2021, and shall remain in effect to
8 and including June 30, 2023.

9

10 The entire agreement shall be renewed thereafter in accordance with statutes unless
11 either party hereto gives written notice during the period June 1, 2022 through June 30,
12 2022 to the other party of its desire to modify, amend or terminate the Agreement.
13 Negotiations shall commence by July 31, 2022.