



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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**HAWAII SUPREME COURT RULES IN FAVOR OF GOVERNOR LINGLE
IN FURLOUGH CASE**

HONOLULU – The Hawaii Supreme Court today ruled in favor of Governor Linda Lingle in her appeal of HGEA v. Lingle, a case that stopped her from implementing a furlough plan.

Because of the State's extraordinary fiscal crisis, Governor Lingle announced a plan in June of 2009 to institute three-day per month furloughs of State employees, in lieu of layoffs. The HGEA, UPW, and other public employee unions went to court trying to stop the furloughs.

Governor Lingle argued that the circuit court had no jurisdiction to consider the union claims but that should the court reach the merits, her actions were fiscally sound, constitutional, and complied with all applicable statutes.

The Circuit Court had earlier ruled in favor of the unions, stopping the Governor from instituting her furlough plan. As a result, Governor Lingle was forced to layoff hundreds of State of Hawaii workers. Governor Lingle appealed the Circuit Court decision because she believed it was legally and factually wrong. Some unions eventually agreed to a two-day per month furlough plan during contract negotiations.

Today, Governor Lingle's legal position was upheld, as the Hawaii Supreme Court found that the Circuit Court should not have decided this case in advance of a Hawaii Labor Relations (HLRB) determination, the position advanced by Governor Lingle since the beginning of this case.

"I am pleased the Hawaii Supreme Court ruled in my favor in this matter and found that the Circuit Court should never have issued the injunction it did," Governor Lingle said. "It is unfortunate that I was prevented from implementing what I believed to be a fiscally sound plan to address the massive deficit Hawaii faced in 2009. As a result, we were forced to layoff hundreds of State employees," she added.

(more)

"We are *very* pleased with the Hawaii Supreme Court's decision," said Attorney General Mark Bennett, who argued the case before both the circuit court and the Supreme Court. Bennett noted that the State had argued from the beginning of the case that if the unions had any remedy at all, it was with the HLRB, not the Circuit Court.

"We *believed* in 2009, and we continue to *believe*, that the Governor's actions complied with Hawaii's statutes and Constitution," Bennett said. "As we *have* consistently argued, the circuit court had no jurisdiction to take up the case in *advance* of a decision by the HLRB. We are *very* pleased that the Supreme Court agreed and found that the circuit court decision was wrong on this important issue. Like the *Governor*, *however*, I am disappointed that the Circuit Court injunction effectively stripped the *Governor* of the tools necessary at the time to address the State's 2009 fiscal crisis in the way she *believed* was in the best interests of the people of Hawaii."

A copy of the Hawaii Supreme Court's opinion is attached.

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