
A BILL FOR AN ACT

RELATING TO COLLECTIVE BARGAINING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 89-11, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:

3 "(f) An arbitration panel in reaching its decision shall
4 give weight to the following factors and shall include in its
5 written report or decision an explanation of how the factors
6 were taken into account:

- 7 (1) The lawful authority of the employer, including the
8 ability of the employer to use special funds only for
9 authorized purposes or under specific circumstances
10 because of limitations imposed by federal or state
11 laws or county ordinances, as the case may be;
- 12 (2) Stipulations of the parties;
- 13 (3) The interests and welfare of the public;
- 14 (4) The financial ability of the employer to meet these
15 costs; provided that the employer's ability to fund
16 cost items shall not be predicated on the premise that
17 the employer may increase or impose new taxes, fees,
18 or charges, or develop other sources of revenues; and



1 provided further that the arbitration panel's
2 assessment of the employer's financial ability to fund
3 the cost items shall be offset by the findings of
4 normal cost and accrued liability contributions under
5 section 88-122, to the extent that the employer faces
6 any unfunded accrued liability during the period of
7 the upcoming contract term and the contribution or
8 liability is likely to accrue in the future;

9 (5) The present and future general economic condition of
10 the counties and the State;

11 (6) Comparison of wages, hours, and conditions of
12 employment of the employees involved in the
13 arbitration proceeding with the wages, hours, and
14 conditions of employment of other persons performing
15 similar services, and of other state and county
16 employees in Hawaii;

17 (7) The average consumer prices for goods or services,
18 commonly known as the cost of living;

19 (8) The overall compensation presently received by the
20 employees, including direct wage compensation,
21 vacation, holidays and excused time, insurance and
22 pensions, medical and hospitalization benefits, the



1 continuity and stability of employment, and all other
2 benefits received;

3 (9) Changes in any of the foregoing circumstances during
4 the pendency of the arbitration proceedings; and

5 (10) Such other factors, not confined to the foregoing,
6 which are normally or traditionally taken into
7 consideration in the determination of wages, hours,
8 and conditions of employment through voluntary
9 collective bargaining, mediation, arbitration, or
10 otherwise between the parties, in the public service
11 or in private employment."

12 SECTION 2. This Act does not affect rights and duties that
13 matured, penalties that were incurred, and proceedings that were
14 begun, before its effective date.

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: Calvin K. Boy

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Report Title:

Collective Bargaining; Public Employment; ERS Unfunded Liability

Description:

Includes a public employer's obligation to pay normal cost and accrued unfunded liability contributions to the employees' retirement system as part of the arbitration criteria used to determine whether the public employer has the ability to pay for proposed cost items.

