

Honolulu, Hawaii

Feb 4 3, 2010

RE: H.B. No. 2858

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2858 entitled:

"A BILL FOR AN ACT RELATING TO FURLOUGHS,"

begs leave to report as follows:

The purpose of this bill is to clarify issues pertaining to collective bargaining by specifying that a furlough relates to an employee's wages and hours, and constitutes a term and condition of employment that is a core subject of collective bargaining.

The United Public Workers, Local 646, testified in support of this bill. The Office of Collective Bargaining in the Office of the Governor, Judiciary, and City and County of Honolulu Department of Human Resources opposed this measure. The Hawaii Government Employees' Association offered comments.

Your Committee notes that although furloughs were initiated to cope with the ongoing economic crisis, legal challenges were raised against the unilateral establishment of furloughs. Subsequently, the First Circuit Court issued a ruling that since furloughs reduce an employee's hours and wages, furloughs are a mandatory subject of collective bargaining. However, your Committee recognizes that the legal questions regarding furloughs slowed the process tremendously over the last several months, causing undue anxiety and financial worries for those potentially affected by furloughs.



As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2858 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



