

TESTIMONY

HB2937 HD2

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TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON LABOR
ON
HOUSE BILL NO. 2937, H.D. 2

March 9, 2010

RELATING TO COLLECTIVE BARGAINING

The purpose of House Bill No. 2937, H.D. 2, is to allow the parties to submit recommendations for the Hawaii Employer-Union Health Benefits Trust Fund contribution amounts to the arbitration panel for bargaining units subject to arbitration and to specify that arbitration panels have authority to render a final and binding decision with respect to the amounts of contributions by the State and counties to the Hawaii Employer-Union Health Benefits Trust Fund.

We oppose this bill. Removing the Legislature's ability to establish contribution rates for arbitrated units unable to reach an agreement with the employer and allowing an arbitrator to make such determinations reduces the incentive for the parties to collectively bargain and takes away a valuable health benefit cost control tool.