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# A BILL FOR AN ACT

RELATING TO GOVERNMENT.

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

1           SECTION 1. The purpose of this Act is to require an  
2 arbitration panel to weigh the value of the defined benefit  
3 pension plan for public employees when making a decision on an  
4 impasse under chapter 89, Hawaii Revised Statutes.

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

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

11           (1) The lawful authority of the employer, including the  
12 ability of the employer to use special funds only for  
13 authorized purposes or under specific circumstances  
14 because of limitations imposed by federal or state  
15 laws or county ordinances, as the case may be;

16           (2) Stipulations of the parties;

17           (3) The interests and welfare of the public;



- 1 (4) The financial ability of the employer to meet these  
2 costs; provided that the employer's ability to fund  
3 cost items shall not be predicated on the premise that  
4 the employer may increase or impose new taxes, fees,  
5 or charges, or develop other sources of revenues;
- 6 (5) The present and future general economic condition of  
7 the counties and the State;
- 8 (6) Comparison of wages, hours, and conditions of  
9 employment of the employees involved in the  
10 arbitration proceeding with the wages, hours, and  
11 conditions of employment of other persons performing  
12 similar services, and of other state and county  
13 employees in Hawaii;
- 14 (7) The benefits and pension guarantees of the defined  
15 benefit pension plan available to the employees  
16 pursuant to chapter 88 in comparison to the benefits  
17 and pension guarantees of retirement plans for private  
18 sector employees in Hawaii;
- 19 [~~7~~] (8) The average consumer prices for goods or  
20 services, commonly known as the cost of living;
- 21 [~~8~~] (9) The overall compensation presently received by  
22 the employees, including direct wage compensation,



1 vacation, holidays and excused time, insurance and  
2 pensions, medical and hospitalization benefits, the  
3 continuity and stability of employment, and all other  
4 benefits received;

5 [~~9~~] (10) Changes in any of the foregoing circumstances  
6 during the pendency of the arbitration proceedings;  
7 and

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

15 SECTION 3. This Act shall not apply to any arbitration  
16 proceeding that commenced before the effective date of this Act.

17 SECTION 4. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act shall take effect on July 1, 2015.

20 INTRODUCED BY:

*Calvin L. Say*

JAN 13 2012



# H.B. NO. 1815

**Report Title:**

Collective Bargaining; Arbitration

**Description:**

Requires an arbitration panel to weigh the value of the defined benefit pension plan for public employees when making a decision on an impasse under the public employment collective bargaining law. Effective 7/1/15.

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