

Honolulu, Hawaii

Feb 14, 2012

RE: H.B. No. 1848  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1848 entitled:

"A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING,"

begs leave to report as follows:

The purpose of this measure is to promote more meaningful discussion during the negotiation process relating to employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund. Among other things, this measure:

- (1) Repeals the prohibition of using arbitration to resolve impasses or disputes relating to state and county Hawaii Employer-Union Health Benefits Trust Fund contributions;
- (2) Specifies that Hawaii Employer-Union Health Benefits Trust Fund and group life insurance contributions must be negotiated for active employees and retirees; and
- (3) Authorizes the arbitration panel to make a final and binding decision on Hawaii Employer-Union Health Benefits Trust Fund contributions.



The Hawaii Government Employees Association, University of Hawaii Professional Assembly, and Hawaii Firefighters Association testified in support of this measure. The Department of Budget and Fiscal Services and Department of Human Resources of the City and County of Honolulu testified in opposition to this measure. The Department of the Attorney General provided comments.

Under the current collective bargaining law for public employees there is a lack of a dispute resolution process over the contributions to the Hawaii Employer-Union Health Benefits Trust Fund. As currently written, if an employer and exclusive representative cannot agree on the contributions, then the pro-rata share shall be determined by the Legislature. However, all other negotiable items can proceed to impasse. Allowing disputes over contributions to the Hawaii Employer-Union Health Benefits Trust Fund to be resolved via the impasse procedure similar to all other negotiable items seems reasonable and fair.

Your Committee finds that broadening the scope of bargaining will promote more meaningful discussion during the negotiation process making it more likely for the parties to find a joint resolution to issues which encompass employment agreements.

Your Committee has amended this measure by:

- (1) Deleting provisions requiring negotiations over Hawaii Employer-Union Health Benefits Trust Fund and group life insurance contributions for retirees;
- (2) Stipulating that if the Legislature fails to fund negotiated or arbitrated costs items for Hawaii Employer-Union Health Benefits Trust Fund and group life insurance contributions, negotiations on all negotiable items may be reopened; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 1848, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1848, H.D. 1, and be referred to the Committee on Finance.



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

*Karl Rhoads*

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KARL RHOADS, Chair



Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: <b>HD 1848</b>	Committee Referral: <b>LAB &amp; FIN</b>	Date: <b>2-7-12</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. CULLEN, Ty	/			
5. ICHIYAMA, Linda	/			
6. LEE, Marilyn B.	/			
7. LUKE, Sylvia	/			
<del>8. OKAMURA, Tom</del>				
9. SAIKI, Scott K.	/			
10. SOUKI, Joseph M.				/
11. TAKUMI, Roy M.	/			
12. FONTAINE, George R.	/	/		
13. JOHANSON, Aaron Ling	/			
<b>TOTAL (13)</b>	<b>10</b>	<b>1</b>	<b>—</b>	<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee            Duplicate (Yellow) – Chief Clerk's Office            Duplicate (Pink) – HMSO				