

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 1848
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1848, H.D. 1, 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) Authorizes the arbitration panel to make a final and binding decision on Hawaii Employer-Union Health Benefits Trust Fund contributions; and
- (3) Stipulates 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.

The Hawaii Government Employees Association testified in support of this measure. The Department of Budget and Fiscal Services and Department of Human Resources of the City and County



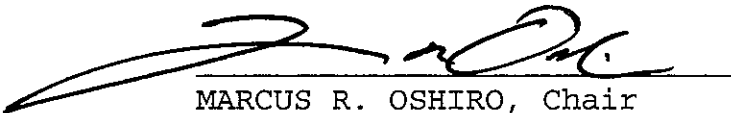
of Honolulu testified in opposition to this measure. The Department of Budget and Finance and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO provided comments.

Your Committee has amended this bill by:

- (1) Deleting language 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;
- (2) Inserting language that allows an arbitration panel to make awards concerning contributions to the Hawaii Employer-Union Health Benefits Trust Fund while allowing the Legislature to approve, reject, or modify the contribution amounts without affecting other decisions concerning negotiable items made by the arbitration panel; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1848, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1848, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



