

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 2494  
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. 2494 entitled:

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

begs leave to report as follows:

The purpose of this measure is to fund the Hawaii Employer-Union Health Benefits Trust Fund plan premium costs for plan years 2011-2012 and 2012-2013 for the employees of collective bargaining unit (10) and for state officers and employees excluded from collective bargaining unit (10) due to an impasse in negotiations. Specifically, this measure provides employer plan contributions of a specific dollar amount equivalent to 50 percent of the premium rates established by the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund for the respective health benefit plan plus 50 percent of all administrative fees.

The Department of Budget and Finance and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure.

Currently, the Hawaii Labor Relations Board has declared an impasse between public employers and the United Public Workers, the exclusive representative of bargaining unit (10). Under current Hawaii law, public employer contributions for Hawaii Employer-Union Health Benefits Trust Fund benefits are not determined by an arbitration panel and must be determined by an

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agreement reached separate from the arbitration decision, or if no agreement has been reached within ten working days after the arbitration decision has been issued, then the public employers and the respective union each submits its recommendations for contributions directly to the Legislature for legislative determination and enactment. The public employer's proposed contributions are being submitted through this measure.

Your Committee has amended this measure by:

- (1) Removing the language referencing a dollar amount equivalent to 50 percent of the premium rates established by the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund for the respective health benefit plan plus 50 percent of the administrative fees was being provided by this measure;
- (2) Removing all contribution amounts for the Hawaii Employer-Union Health Benefits Trust Fund plan premium costs for plan years 2011-2012 and 2012-2013; 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. 2494, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2494, 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,



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KARL RHOADS, Chair



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

HSCR 546-12

**Record of Votes of the Committee on Labor & Public Employment**

<b>Bill/Resolution No.:</b> HB 2494	<b>Committee Referral:</b> LABORFIN	<b>Date:</b> 2-14-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <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>	10	—	—	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.				
<b>Vice Chair's or designee's signature:</b> _____				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				