

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2214
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2214, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to amend the process by which public sector health benefits contributions are negotiated under the State's public sector collective bargaining laws.

Specifically, the measure:

- (1) Repeals language deemed unconstitutional by the Supreme Court of the State of Hawaii;
- (2) Establishes that a public employer and an exclusive representative shall negotiate the state and county contribution amounts to the Hawaii Employer-Union Health Benefits Trust Fund for health benefit plans and group life insurance benefits for active employees;
- (3) Removes the prohibition against applying the impasse procedures of section 89-11, Hawaii Revised Statutes, to negotiations relating to contributions to the Hawaii Employer-Union Health Benefits Trust Fund;
- (4) Establishes that a decision of an arbitration panel is final and binding when the parties cannot reach an



agreement with respect to the amounts of contributions paid by the State to the Hawaii Employer-Union Health Benefits Trust Fund;

- (5) Repeals the legislative relief option to determine public sector health benefits contributions when an impasse exists regarding the negotiation of state cost issues; and
- (6) Repeals the prohibition against striking over the issue of public sector health benefits contributions.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association. Your Committee received written comments on this measure from the Department of Budget and Finance and the Department of the Attorney General.

Your Committee finds that the existing collective bargaining laws lack an efficient dispute resolution procedure to resolve disagreements over contributions to the Hawaii Employer-Union Health Benefits Trust Fund. Existing law requires that the Legislature determine the pro rata share of each party if the employer and exclusive representative cannot agree on the amount of contributions. This measure will allow disputes over contributions to be resolved through impasse procedures, similar to other negotiable items, including a public employee's right to strike.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2214, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2214, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

David Y. Ige

DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2214, SDI	JDL, WAM	2-29-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
KAHELE, Gilbert				✓
KOUCHI, Ronald D.				✓
RYAN, Pohai	—			
TOKUDA, Jill N.	—			
WAKAI, Glenn	—			
SLOM, Sam		✓		
TOTAL	9	1	0	4
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Michelle N. Kidani				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes