

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 2324  
S.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 S.B. No. 2324, S.D. 1, entitled:

"A BILL FOR AN ACT MAKING APPROPRIATIONS FOR PUBLIC  
EMPLOYMENT COST ITEMS,"

begs leave to report as follows:

The purpose of this measure is to provide a vehicle to fund all collective bargaining cost items in the agreements negotiated with the exclusive bargaining representative of collective bargaining units (2), (3), (4), (6), (8), and (13) and for state officers and their excluded counterparts for fiscal year 2012-2013.

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO testified in support of this measure.

Although the majority of bargaining units represented by the Hawaii Government Employees Association have already negotiated a contract with the public employers, the negotiated contract contains what has been termed a "Favored Nation" clause. This "Favored Nation" clause in the collective bargaining agreement with the Hawaii Government Employees Association authorizes the union to renegotiate the terms of an agreement if another public union settles on terms that are more favorable. As such, your Committee finds that there may be a need to appropriate funds if the terms of the Hawaii State Teachers Association and the United



Public Workers collective bargaining agreements are found to be more favorable. This measure will serve as a vehicle for funds to be appropriated.

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 S.B. No. 2324, S.D. 1, and recommends that it pass Second Reading 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

HSCA 1054-12

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

<b>Bill/Resolution No.:</b> SD 2324 SDI	<b>Committee Referral:</b> LAB - FIN	<b>Date:</b> 3-13-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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>	9	-	-	3
<b>The recommendation is:</b> <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>				
<b>Vice Chair's or designee's signature:</b>				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				