

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
ON
HOUSE BILL NO. 2493

February 14, 2012

RELATING TO COLLECTIVE BARGAINING COST ITEMS

House Bill No. 2493 establishes public employer contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund (EUTF) premiums for public officers and employees pursuant to Section 89-11(g), HRS, due to an impasse in negotiations with the exclusive representative of bargaining unit 9 (registered professional nurses). The dollar amounts specified in the bill are equivalent to 50 percent of the respective plan year premium rates for the various EUTF health benefit plans plus 50 percent of all administrative fees.

The Department of Budget and Finance supports this Administration proposal.

Under the binding arbitration provisions of Chapter 89, HRS, Collective Bargaining in Public Employment, public employer contributions for EUTF benefits are not determined by an arbitration panel. Contributions are determined by either: 1) an agreement reached separate from the arbitration decision; or 2) 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.

Currently, the public employers and the Hawaii Government Employees Association (HGEA), the union representing bargaining unit 9, are at impasse. While an arbitration hearing has not yet been scheduled, it is anticipated that no agreement will be reached on EUTF contributions. The contributions amounts specified in the bill for bargaining unit 9 are equivalent to what other HGEA bargaining units have agreed to.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Twenty-Sixth Legislature, State of Hawaii
House of Representatives
Committee on Labor and Public Employment

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Testimony by
Hawaii Government Employees Association
February 14, 2012

H.B. 2493 – RELATING TO COLLECTIVE
BARGAINING COST ITEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly opposes the intent of H.B. 2493, which provides for the Employer's contribution amounts to the Employer-Union Health Benefits Trust Fund (EUTF) for plan years 2011 – 12 and 2012 – 13, for members of bargaining unit 09 and their excluded counterparts.

While the Hawaii Labor Relations Board has declared impasse between the Employer and the Exclusive Representative, we remain in good faith negotiations over the terms and conditions of employment – inclusive of the amounts of contributions toward the EUTF – for our members. We respectfully request that the Committee allow the negotiation and arbitration process to be utilized and implemented by and between the two negotiating parties.

We strongly support S.B. 2323 which provides a vehicle to implement pending collective bargaining agreements from a potential arbitration for Bargaining Unit 09 and respectfully request this Committee defer action on H.B. 2493.

Thank you for the opportunity to testify in opposition of the H.B. 2493, as written.

Respectfully submitted,

Randy Perreira
Executive Director