

SB 1078

SD 1

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 1078, S.D. 1

March 1, 2011

RELATING TO COLLECTIVE BARGAINING

The purpose of Senate Bill No. 1078, S.D. 1, is to include the negotiation of health benefit plans in collective bargaining.

We oppose this bill. The amendments to Chapter 89, Hawaii Revised Statutes, are in conflict with Chapter 87A, Hawaii Revised Statutes, which tasks the Hawaii Employer-Union Health Benefits Trust Fund Board with providing health and other benefit plans at a cost affordable to both the public employers and the public employees.

Allowing each bargaining unit to negotiate benefit plans would further complicate health benefit contribution negotiations which have already proven difficult in recent times. It would make it more difficult to provide a uniform benefit package to employees that will promote fairness and consistency among employees in the workplace. In addition, allowing individual units to negotiate benefit plans and allowing arbitration panels to award specific benefits diminishes the leverage of the Hawaii Employer-Union Health Benefits Trust Fund as a large group purchasing pool.