

Honolulu, Hawaii

MAR - 1 2013

RE: S.B. No. 1057
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1057, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYER UNION HEALTH BENEFITS TRUST FUND CONTRIBUTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to fulfill the Legislature's responsibility to establish public employer contribution amounts to the Employer-Union Health Benefits Trust Fund if an impasse occurs in a collective bargaining negotiation.

Specifically, the measure establishes employer contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund (EUTF) health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts.

Your Committee received written comments in support of this measure from the Department of Budget and Finance.

Your Committee finds that the public employer and the exclusive representative for collective bargaining unit (10) were at an impasse in collective bargaining negotiations regarding contribution amounts for plan years 2011-2012 and 2012-2013 for EUTF health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts. Because an agreement could not be reached regarding the employer contribution amounts to the trust fund, the public employer is required by law



to submit its recommendation for contributions to the Legislature. This measure establishes the public employer's recommended contributions designed to effectuate fifty percent employer contribution levels for collective bargaining unit (10) and their excluded counterparts. These rates are identical for employees in other collective bargaining units under existing collective bargaining agreements.

Your Committee has amended this measure by:

- (1) Clarifying that the excluded state officers and employees to which the measure refers are those state officers and employees who are excluded from collective bargaining and who belong to the same compensation plans as those state officers and employees within collective bargaining unit (10); and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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. 1057, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1057, S.D. 2.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 057, SD 1	Committee Referral: JDL, WAM	Date: 2-21-13		
<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				✓
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam			✓	
TOTAL	10	0	1	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes