

JAN 24 2013

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## A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYEES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 87A, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§87A- Contributions to fund. Notwithstanding any law  
5 to the contrary, the board shall determine the amounts of  
6 contributions by the State and respective counties to the fund."

7           SECTION 2. Section 89-9, Hawaii Revised Statutes, is  
8 amended to read as follows:

9           "§89-9 Scope of negotiations; consultation. (a) The  
10 employer and the exclusive representative shall meet at  
11 reasonable times, including meetings sufficiently in advance of  
12 the February 1 impasse date under section 89-11, and shall  
13 negotiate in good faith with respect to wages, hours, [the  
14 ~~amounts of contributions by the State and respective counties to~~  
15 ~~the Hawaii employer union health benefits trust fund to the~~  
16 ~~extent allowed in subsection (e),]~~ and other terms and  
17 conditions of employment which are subject to collective  
18 bargaining and which are to be embodied in a written agreement



1 as specified in section 89-10, but such obligation does not  
2 compel either party to agree to a proposal or make a concession;  
3 provided that the parties may not negotiate with respect to cost  
4 items as defined by section 89-2 for the biennium 1999 to 2001,  
5 and the cost items of employees in bargaining units under  
6 section 89-6 in effect on June 30, 1999, shall remain in effect  
7 until July 1, 2001.

8 (b) The employer or the exclusive representative desiring  
9 to initiate negotiations shall notify the other party in  
10 writing, setting forth the time and place of the meeting desired  
11 and the nature of the business to be discussed, sufficiently in  
12 advance of the meeting.

13 (c) Except as otherwise provided in this chapter, all  
14 matters affecting employee relations, including those that are,  
15 or may be, the subject of a rule adopted by the employer or any  
16 director, shall be subject to consultation with the exclusive  
17 representatives of the employees concerned. The employer shall  
18 make every reasonable effort to consult with exclusive  
19 representatives and consider their input, along with the input  
20 of other affected parties, prior to effecting changes in any  
21 major policy affecting employee relations.



1 (d) Excluded from the subjects of negotiations are matters  
2 of classification, reclassification, benefits of [~~but not~~] and  
3 contributions to the Hawaii employer-union health benefits trust  
4 fund, recruitment, examination, initial pricing, and retirement  
5 benefits except as provided in section 88-8(h). The employer  
6 and the exclusive representative shall not agree to any proposal  
7 which would be inconsistent with the merit principle or the  
8 principle of equal pay for equal work pursuant to section 76-1  
9 or which would interfere with the rights and obligations of a  
10 public employer to:

- 11 (1) Direct employees;
- 12 (2) Determine qualifications, standards for work, and the  
13 nature and contents of examinations;
- 14 (3) Hire, promote, transfer, assign, and retain employees  
15 in positions;
- 16 (4) Suspend, demote, discharge, or take other disciplinary  
17 action against employees for proper cause;
- 18 (5) Relieve an employee from duties because of lack of  
19 work or other legitimate reason;
- 20 (6) Maintain efficiency and productivity, including  
21 maximizing the use of advanced technology, in  
22 government operations;



1           (7) Determine methods, means, and personnel by which the  
2           employer's operations are to be conducted; and

3           (8) Take such actions as may be necessary to carry out the  
4           missions of the employer in cases of emergencies.

5           This subsection shall not be used to invalidate provisions  
6 of collective bargaining agreements in effect on and after  
7 June 30, 2007, and shall not preclude negotiations over the  
8 procedures and criteria on promotions, transfers, assignments,  
9 demotions, layoffs, suspensions, terminations, discharges, or  
10 other disciplinary actions as a permissive subject of bargaining  
11 during collective bargaining negotiations or negotiations over a  
12 memorandum of agreement, memorandum of understanding, or other  
13 supplemental agreement.

14           Violations of the procedures and criteria so negotiated may  
15 be subject to the grievance procedure in the collective  
16 bargaining agreement.

17           ~~[(e) Negotiations relating to contributions to the Hawaii~~  
18 ~~employer union health benefits trust fund shall be for the~~  
19 ~~purpose of agreeing upon the amounts which the State and~~  
20 ~~counties shall contribute under section 87-4, toward the payment~~  
21 ~~of the costs for a health benefits plan, as defined in section~~  
22 ~~87-1(8), and group life insurance benefits, and the parties~~



1 ~~shall not be bound by the amounts contributed under prior~~  
2 ~~agreements; provided that section 89-11 for the resolution of~~  
3 ~~disputes by way of arbitration shall not be available to resolve~~  
4 ~~impasses or disputes relating to the amounts the State and~~  
5 ~~counties shall contribute to the Hawaii employer union health~~  
6 ~~benefits trust fund.~~

7 ~~(f)]~~ (e) The repricing of classes within an appropriate  
8 bargaining unit may be negotiated as follows:

9 (1) At the request of the exclusive representative and at  
10 times allowed under the collective bargaining  
11 agreement, the employer shall negotiate the repricing  
12 of classes within the bargaining unit. The negotiated  
13 repricing actions that constitute cost items shall be  
14 subject to the requirements in section 89-10; and

15 (2) If repricing has not been negotiated under paragraph  
16 (1), the employer of each jurisdiction shall ensure  
17 establishment of procedures to periodically review, at  
18 least once in five years, unless otherwise agreed to  
19 by the parties, the repricing of classes within the  
20 bargaining unit. The repricing of classes based on  
21 the results of the periodic review shall be at the  
22 discretion of the employer. Any appropriations




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1           required to implement the repricing actions that are  
2           made at the employer's discretion shall not be  
3           construed as cost items."

4           SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 4. This Act shall take effect upon its approval.

7

INTRODUCED BY: 



# S.B. NO. 1373

**Report Title:**

Collective Bargaining; Hawaii Employer-union Health Benefits

**Description:**

Gives the board of trustees of the Hawaii employer-union health benefits trust fund authority to determine the amounts of contributions by the State and respective counties to the fund. Removes the requirement in section 89-9, HRS, that the employer and exclusive representative negotiate the amounts of contributions by the State or any county to the Hawaii employer-union health benefits trust fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

