36 -16

Honolulu, Hawaii

Roway 17, 2016

RE: H.B. No. 2012 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2012 entitled:

"A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," begs leave to report as follows:

The purpose of this measure is to:

- (1) Specify that the benefits of the Hawaii Employer-Union Health Benefits Trust Fund are subject to negotiation; and
- (2) Repeal the role of the Legislature in determining a public employer's contribution rate in the case of a bargaining impasse and making the decision of an arbitration panel final and binding.

The University of Hawaii Professional Assembly; United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Budget and Finance opposed this measure. The Department of the Attorney General; Department of Education; Office of Collective Bargaining; University of Hawaii; and Department of Human Resources of the City and County of Honolulu offered comments.

Your Committee has amended this measure by:

- (1) Restoring the current statutory proviso that arbitration shall not be available to resolve impasses or disputes regarding State and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund;
- (2) Restoring current statutory language establishing the Legislature's role in resolving impasses related to employer contribution amounts;
- (3) Changing the effective date to July 1, 2091, to encourage further discussion;
- (4) Including a sunset date of June 30, 2017; and
- (5) Making technical nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 2012, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2012, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,



Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2012	Committee	Referral:	N	te: 2/2/16	
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
LAB Members		Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)		/			
2. KEOHOKALOLE, Jarrett (VC)					
3. AQUINO, Henry J.C.					
W.					
4. HAR, Sharon E.					
5. ICHIYAMA, Linda					
6. JOHANSON, Aaron Ling					
7. LoPRESTI, Matthew S.					
O CAN DITENANTEMENTO A T A					
8. SAN BUENAVENTURA, Joy A.					
9. TAKUMI, Roy M.	ì				
10. YAMASHITA, Kyle T.					
11. TUPOLA, Andria P.L.					
11. 10. 03.3, 11.0.1.0.1.1.					
		, 2112			
<u></u>					<u> </u>
TOTAL (11)					2
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					