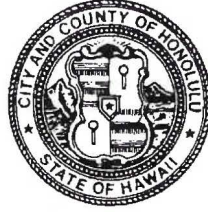


DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU

LATE TESTIMONY

650 SOUTH KING STREET, 10th Floor
HONOLULU, HAWAII 96813

KIRK CALDWELL
MAYOR



CAROLEE C. KUBO
DIRECTOR
NOEL T. ONO
ASSISTANT DIRECTOR

March 17, 2016

The Honorable Gilbert S.C. Keith-Agaran, Chair
and Members of the Committee on Judiciary
and Labor
The Senate
State Capitol, Room 016
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Keith-Agaran and Members of the Committee:

Subject: House Bill 2012, HD1
Relating to Collective Bargaining

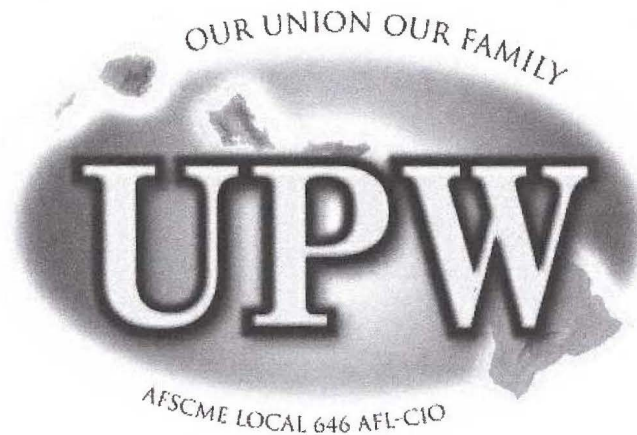
The Department of Human Resources, City & County of Honolulu, would like to share our comments on H.B. 2012, HD1. H.B. 2012, HD1 would dilute the statutory authority and obligations already vested with the Employer-Union Health Benefits Trust Fund ("EUTF"). Moreover, if passed, the measure would likely have an unforeseen negative financial impact to both the public employer and employees due to fragmentation as health care and administrative costs will likely increase if health care providers are required to craft separate health care plans for the various bargaining units.

We thank you for giving us the opportunity to testify on this matter.

Sincerely,

A handwritten signature in black ink that reads "Carolee C. Kubo". The signature is written in a cursive, flowing style.

CAROLEE C. KUBO
Director



The Hawaii State Senate
The Twenty-Eighth Legislature
Regular Session of 2016

COMMITTEE ON JUDICIARY AND LABOR
The Honorable Gilbert S.C. Keith-Agaran, Chair
The Honorable Maile S.L. Shimabukuro, Vice Chair

DATE OF HEARING: Thursday, March 17, 2016
TIME OF HEARING: 9:30 a.m.
PLACE OF HEARING: Conference Room 016

TESTIMONY ON HB2012, HD1 RELATING TO COLLECTIVE BARGAINING

By Dayton M. Nakanelua,
State Director of the United Public Workers,
AFSCME, Local 646, AFL-CIO

My name is Dayton M. Nakanelua, state director of the United Public Workers, AFSCME, Local 646, and AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

HB2012, HD1 specifies that the health benefits of the Hawaii employer-union health benefits trust fund are negotiable and that no arbitration is available to resolve any impasse. The UPW prefers the original language wherein arbitration will be available to resolve any impasse in negotiations. We therefore, respectfully request a reversion to the original language with respect to arbitration.

Thank you for the opportunity to submit this testimony.