

Honolulu, Hawaii

**MAR 1 - 2019**

RE: S.B. No. 1498  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1498, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII LABOR RELATIONS BOARD,"

begs leave to report as follows:

The purpose and intent of this measure is to refine the process of selecting arbitrators for collective bargaining in the public sector.

Specifically, the measure requires the Hawaii Labor Relations Board to:

- (1) Distinguish among mediators, grievance arbitrators, and interest arbitrators, or combinations thereof, when producing lists of qualified persons;
- (2) Request from the American Arbitration Association that its list of five arbitrators from which parties will choose the neutral member of an arbitration panel comprise experienced interest arbitrators; and
- (3) Review and determine the qualifications and criteria of the five persons whose names are on the list furnished by the American Arbitration Association.



Your Committee received written comments in support of this measure from the Hawaii Government Employees Association and Hawaii Fire Fighters Association, Local 1463.

Your Committee received written comments on this measure from the Hawaii Labor Relations Board.

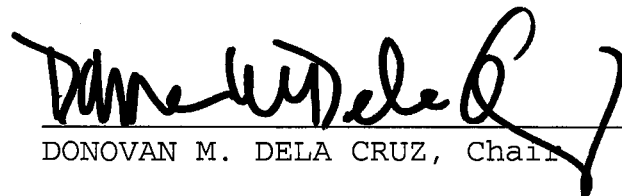
Your Committee finds that due to the fundamental difference between resolving contractual disputes, which are handled by grievance arbitrators, and determining the provisions of contracts, which are handled by interest arbitrators, it is not only appropriate to statutorily segregate the two, but it is necessary to require the Hawaii Labor Relations Board to determine the qualifications of each.

Your Committee notes that the Hawaii Labor Relations Board requests that the measure be amended to either:

- (1) Provide an appropriation for one researcher position with a salary range of \$45,000 to \$60,000 for the review and determination of nominee qualifications as required under this measure; or
- (2) Amend the statutes to remove the American Arbitration Association from its role in the arbitration process and require the Hawaii Labor Relations Board to choose the neutral arbitrator on an arbitration panel from the list of qualified persons that the Board produces.

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. 1498, S.D. 1, and recommends that it pass Third Reading.

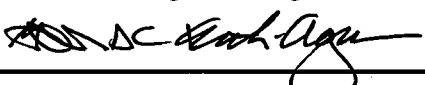
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:
SB1498 SPI	LCA, WAM	2/19/19
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
DELA CRUZ, Donovan M. (C)	X	
KEITH-AGARAN, Gilbert S.C. (VC)	X	
ENGLISH, J. Kalani	X	
HARIMOTO, Breene		X
INOUYE, Lorraine R.	X	
KAHELE, Kaiali'i	X	
KANUHA, Dru Mamo	X	
KIDANI, Michelle N.	X	
MORIWAKI, Sharon Y.	X	
RIVIERE, Gil	X	
SHIMABUKURO, Maile S.L.	X	
TANIGUCHI, Brian T.		X
FEVELLA, Kurt	X	
<b>TOTAL</b>	11	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
<b>Distribution:</b>	Original	Yellow
File with Committee Report	Clerk's Office	Pink
		Drafting Agency
		Goldenrod
		Committee File Copy

\*Only one measure per Record of Votes