STAND. COM. REP. NO. 349

Honolulu, Hawaii

FEB 1 2 2025

RE: S.B. No. 183 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 183 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow impasses and disputes relating to the amounts of state and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund to be resolved by arbitration; and
- (2) Repeal the prohibition against strikes by members of bargaining units on the issue of the amounts of state and county contributions to the Trust Fund.

Your Committee received testimony in support of this measure from the United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and University of Hawaii Professional Assembly.

Your Committee received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that while employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund are a negotiable item, there is not currently a dispute resolution mechanism to address disagreements. This effectively makes the negotiable item one sided and employer controlled. Contributions to the Trust Fund are a critical component of the public employment compensation package and a tool for retaining public employees in the context of dramatically increasing costs of living. This measure establishes a dispute resolution mechanism for the negotiation of employer contributions to the Trust Fund by allowing arbitration and strikes.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 183, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 183, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committee on Labor and Technology,

HENRY J.C. AQUINO, Chair

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Labor and Technology LBT

Bill / Resolution No.:* 58183	Committee Referral: LBT, JDC Date: 2/5/25				
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members	-	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)		*			
LEE, Chris (VC)		×			
IHARA, Jr., Les					
MORIWAKI, Sharon Y.					
FEVELLA, Kurt		7			
					i
	 				
		<u> </u>			
TOTAL		5			
Recommendation: Adopted Not Adopted					3
Chair's or Designee's Signature:					
Distribution: Original File with Committee Rep		Yellow Pink Goldenrod Clerk's Office Drafting Agency Committee File Copy			

*Only one measure per Record of Votes