STAND. COM. REP. NO. 2745

Honolulu, Hawaii

MAR 1 7 2010

RE: H.B. No. 2937

H.D. 2 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Labor, to which was referred H.B. No. 2937, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING,"

begs leave to report as follows:

The purpose of this measure is to require the decision of an arbitration panel rendered for a settlement between public sector employers and the exclusive representative of a public employee union to be final and binding with respect to contributions by the State or counties to the Employer-Union Health Benefits Trust Fund or Voluntary Employees' Beneficiary Association.

Testimony in support of this measure was submitted by two private organizations. Testimony in opposition of this measure was submitted by two state agencies and one county agency. Comments on this measure were submitted by one private organization. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that for an arbitrator to make the most fair and equitable decision regarding employee benefits and employer obligations it is imperative for the arbitrator to have complete autonomy in analyzing all information and matters pertaining to both the benefits of and the amounts of contributions to the Hawaii Employer-Union Health Benefits Trust Fund or Voluntary Employees' Beneficiary Association. Your Committee also finds that a clearly defined negotiation plan will

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aid in the resolution of a complete compensation package, which includes benefits of and contribution amounts to the Hawaii Employer-Union Health Benefits Trust Fund or Voluntary Employees' Beneficiary Association that would be satisfactory to all parties represented in the negotiations.

Your Committee has amended this measure by:

- (1) Requiring that benefits under the Hawaii Employer-Union Health Benefits Trust Fund or Voluntary Employees' Beneficiary Association be included in collective bargaining negotiations;
- (2) Clarifying that the decision of the arbitration panel on matters concerning benefits of and amounts of contributions to the Hawaii Employer-Union Health Benefits Trust Fund or Voluntary Employees' Beneficiary Association shall be final and binding upon all the parties involved; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2937, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2937, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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

DWIGHT Y. TAKAMINE, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Labor LBR

Bill / Resolution No.:* Committee Referral: Date:				
HB2937 HD2 LI	BR, WA	FM :	2.09	-10
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
TAKAMINE, Dwight Y. (C)				• /
TANIGUCHI, Brian T. (VC)		May		
BUNDA, Robert				
HEE, Clayton				
SLOM, Sam				
TOTAL	3	The state of the s	l	
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				