STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 4 2013 RE: S.B. NO. 1057 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 1057 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYER UNION HEALTH BENEFITS TRUST FUND CONTRIBUTIONS,"

begs leave to report as follows:

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The purpose and intent of this measure is to provide employer contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii employer-union health benefits trust fund health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts.

Prior to the hearing on this measure, your Committee posted a proposed S.D. 1 for review and comment. The proposed S.D. 1 amends this measure by:

- Inserting specific monthly employer contribution amounts for each employee-beneficiary with zero, one, or two or more dependent-beneficiaries;
- (2) Inserting a specific amount that each employeebeneficiary enrolled in the trust fund group life insurance plan is required to pay per month to reflect one hundred percent of the monthly premium and administrative fees; and
- (3) Applying these amounts retroactively to July 1, 2011.

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Your Committee received testimony in support of this measure from the Department of Budget and Finance and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committee finds that the public employer and the exclusive representative for collective bargaining unit (10) were at an impasse in collective bargaining negotiations regarding contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii employer-union health benefits trust fund health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts. Because an agreement could not be reached regarding the employer contribution amounts to the trust fund, the public employer is required by law to submit its recommendation for contributions to the Legislature. This proposed S.D. 1 establishes the public employer's recommended contributions designed to effectuate fifty percent employer contribution levels for collective bargaining unit (10) and their excluded counterparts. These rates are identical for employees in other collective bargaining units under existing collective bargaining agreements.

Your Committee has amended this measure by adopting the proposed S.D. 1.

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As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1057, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1057, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

CLAYTON HEE, Chair

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral:		Dat	Date:	
501057	JDL	WAN	1 0	02-07-13	
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
HEE, Clayton (C)		$\checkmark$			
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike		$\checkmark$			
IHARA, Jr., Les					
SLOM, Sam	-			$\checkmark$	
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TOTAL		4		1	
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original V Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes