STAND. COM. REP. NO.



Honolulu, Hawaii

## MAR 0 1 2013

RE: S.B. No. 885 S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 885, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to provide a dispute resolution mechanism to determine the employer share of contributions to the Hawaii Employer-Union Health Benefits Trust Fund.

Specifically, this measure:

- (1) Allows parties to arbitrate to resolve impasses or disputes relating to the State and counties' contributions to the Hawaii Employer-Union Health Benefits Trust Fund for their respective employees;
- (2) Repeals the procedures that parties are required to follow after an arbitration panel issues a decision and the understanding that members of collective bargaining units are prohibited from striking on the issue of State and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund; and
- (3) Makes housekeeping amendments relating to the scope of negotiations.



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Your Committee received written comments in support of this measure from the Hawaii Government Employees Association.

Written comments in opposition to this measure were submitted by the Department of Budget and Finance.

Your Committee received written comments on this measure from the Department of Human Resources of the City and County of Honolulu and University of Hawaii System.

Your Committee finds that current law does not provide a mechanism to resolve disputes relating to the employer share of contributions to the Hawaii Employer-Union Health Benefits Trust Fund. If the employer and exclusive representative cannot agree on the employer contribution amount, the pro rata share is determined by the Legislature while all other negotiable items may proceed to impasse. This measure allows disputes regarding employer contributions to be inclusively resolved under impasse procedures and subsequently by either interest arbitration or strike, depending on the collective bargaining unit involved in the impasse.

Your Committee has amended this measure by:

- (1)Deleting existing statutory language in sections 89-9(a) and 89-11(q), Hawaii Revised Statutes, to conform to the intent of the measure; and
- Making technical nonsubstantive amendments for the (2) purposes of style, clarity, and consistency.

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. 885, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 885, S.D. 2.

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

And Yly DAVID Y. LCE, Chair



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

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
58885,501	JDL, WAM			2-21-13	
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
IGE, David Y. (C)					
KIDANI, Michelle N. (VC)					
CHUN OAKLAND, Suzanne		V			
DELA CRUZ, Donovan M.		V			·
ENGLISH, J. Kalani		V			
ESPERO, Will					1
KAHELE, Gilbert		$\checkmark$			
KEITH-AGARAN, Gilbert S.C.		$\checkmark$			
KOUCHI, Ronald D.					
RUDERMAN, Russell E.	· · ·				
THIELEN, Laura H.					
TOKUDA, JIII N.	·	$\checkmark$	1.		. '
SLOM, Sam				V	
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TOTAL		9		)	2
Recommendation:					
Chair's or Designee's Signature. Muchille A - Ludani					
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes