STAND. COM. REP. NO. 4469

Honolulu, Hawaii **February 2D**, 2015 RE: H.B. No. 1112 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1112, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to restructure and facilitate the operations of the Hawaii Health Systems Corporation (HHSC) by:

- Reconsolidating HHSC operational administration and oversight by eliminating regional system boards;
- (2) Repealing certain limitations on operational authority within HHSC; and
- (3) Creating new bargaining units for HHSC employees.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and two concerned individuals supported this measure. HHSC East Hawaii Region; HHSC Kauai Regional Board; United Public Workers, AFSCME, Local 646, AFL-CIO; and Maui Memorial Medical Center opposed this measure. The Department of the Attorney General; HHSC Corporate Board of Directors; HHSC Maui Region; Hawaii Pacific Health; and two concerned individuals commented on this measure.



STAND. COM. REP. NO Page 2

Your Committee has amended this measure by:

- (1) Removing the provision allowing for HHSC to obtain legal services from the Department of the Attorney General;
- (2) Specifying that regional systems IV and V shall consolidate by July 1, 2017; provided that consolidation shall not affect respective representation on the HHSC board;
- (3) Replacing the provisions that create seven new bargaining units for HHSC employees with provisions that specify the voting and approval requirements for HHSC supplemental bargaining agreements for units (1), (2), (3), (4), (9), (10), and (13); and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the amendments made to consolidate regional systems IV and V of the HHSC should not affect those regions' ability to appoint respective representatives on the corporate board.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1112, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1112, H.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

ARK M. NAKASHIMA, Chair



HEOR 469

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 1112 HD1	Committee Referral: HLT, LAB, FIN			Date: 2/17/15		
 The committee is reconsidering its previous decision on the measure. 						
The recommendation is to: □ Pass, unamended (as is) □ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)						
LAB Members		Ayes	Ayes (WI	R) Nay	ys Excused	
1. NAKASHIMA, Mark M. (C)		1				
			<u> </u>			
2. KEOHOKALOLE, Jarrett (VC)						
3. AQUINO, Henry J.C.		/				
4. HAR, Sharon E.						
5. ICHIYAMA, Linda						
6. JOHANSON, Aaron Ling						
7. LOPRESTI, Matthew S.		1				
8. SAN BUENAVENTURA, Joy A.	: 4					
9. TAKAYAMA, Gregg						
10. TAKUMI, Roy M.						
11. YAMASHITA, Kyle T.						
12. TUPOLA, Andria P.L.						
TOTAL (12)		12				
The recommendation is: Adopted Not Adopted If joint referral,						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						