STAND. COM. REP. NO. 2211

Honolulu, Hawaii

FEB 1 3 2024

RE: S.B. No. 3299 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 3299 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:

- Allow the public employer and exclusive representative (1)to negotiate benefits of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF); and
- (2) Allow the exclusive representative to fully utilize dispute resolution and impasse provisions under state law when negotiating the benefits and contributions to the EUTF.

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

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

Your Committee finds that the existing law does not have a dispute resolution mechanism to address the employee - employer share of monthly contributions to Medical premiums for EUTF plans. Your Committee finds that public employees who participate in EUTF plans pay on average forty percent of their total medical premiums, which can be as high as \$1,500 a month for family coverage. This can be detrimental to employees with lower salaries, who would benefit from the ability to negotiate these rates. This measure therefore allows public employees the ability to arbitrate and negotiate health care benefits with their employers, an ability not currently granted in Chapter 89, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 3299, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3299, S.D. 1, and be referred to your Committee on Ways and Means.

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

HENRY J.C. AQUINO, Chai

The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Labor and Technology LBT

| Bill / Resolution No.:* | Committee Referral: | | I | Date: | |
|--|---------------------|-----|--|----------|---------------------------------------|
| 583299 | LBT, WAM | | ۱ | 2/2/2024 | |
| 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) | | X | | | |
| MORIWAKI, Sharon Y. (VC) | | X | | | |
| IHARA, Jr., Les | | Χ | | | |
| LEE, Chris | | X | | | |
| FEVELLA, Kurt | <u> </u> | X | | | |
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| TOTAL | | 5 | | | |
| 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 | | | | | |

^{*}Only one measure per Record of Votes