

Honolulu, Hawaii

FEB 12 2025RE: S.B. No. 183
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred
S.B. No. 183 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow impasses and disputes relating to the amounts of state and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund to be resolved by arbitration; and
- (2) Repeal the prohibition against strikes by members of bargaining units on the issue of the amounts of state and county contributions to the Trust Fund.

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

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



Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that while employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund are a negotiable item, there is not currently a dispute resolution mechanism to address disagreements. This effectively makes the negotiable item one sided and employer controlled. Contributions to the Trust Fund are a critical component of the public employment compensation package and a tool for retaining public employees in the context of dramatically increasing costs of living. This measure establishes a dispute resolution mechanism for the negotiation of employer contributions to the Trust Fund by allowing arbitration and strikes.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

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. 183, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 183, S.D. 1, and be referred to your Committee on Judiciary.

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


HENRY J. C. AQUINO, Chair



