

STAND. COM. REP. NO. 3116

Honolulu, Hawaii

MAR 23 2026

RE: H.B. No. 1664
H.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 1664, H.D. 1, 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 (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 United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawai'i State Teachers Association; State of Hawai'i Organization of Police Officers; and University of Hawaii Professional Assembly.



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

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

Your Committee finds that the Trust Fund plays a key role in providing public employees and their dependents with health care benefits and that employer contributions to the Trust Fund are an essential component of a public employee's compensation package. However, existing law excludes collective bargaining disputes over these contribution amounts from final and binding arbitration and places them into a separate legislative determination process, creating unnecessary delays. This measure will allow these disputes to be resolved through binding arbitration which will streamline resolutions of impasses, strengthen the collective bargaining process, and provide the stability and predictability that both employers and employees need.

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 H.B. No. 1664, H.D. 1, and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

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



BRANDON J.C. ELEFANTE, Chair



