

Honolulu, Hawaii

MAR 24 , 2026

RE: S.B. No. 2117  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Labor, to which was referred S.B. No. 2117,  
S.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 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 through arbitration; and
- (2) Repeal the prohibition against strikes on contribution related issues.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly; State of Hawai'i Organization of Police Officers; United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and Hawaii State AFL-CIO. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance; Office of Collective Bargaining; and Office of the Mayor of the County of Maui. Your



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

Your Committee finds that the Hawaii Employer-Union Health Benefits Trust Fund is a key component of public employees' health coverage, and employer contributions form an important part of overall compensation. However, existing law removes disputes over these contribution amounts from binding arbitration and places them into a separate legislative recommendation process that also prohibits strikes, creating delays and limiting the effectiveness of impasse resolution. Your Committee believes that allowing these disputes to proceed through binding arbitration will streamline negotiations, resolve impasses more efficiently, and provide needed stability for employers and employees.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2117, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2117, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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

  
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JACKSON D. SAYAMA, Chair



