

STAND. COM. REP. NO. 3034

Honolulu, Hawaii

MAR 06 2026

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

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

Sir:

Your Committees on Judiciary and Ways and Means, 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,"

beg 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 Committees received testimony in support of this measure from the University of Hawaii Professional Assembly; Hawai'i State Teachers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committees received testimony in opposition to this measure from the Department of Budget and Finance, Office of Collective Bargaining, and County of Maui.



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

Your Committees find that health care contributions are uniquely excluded from the bargaining process, leaving public employees in a vulnerable position when negotiations stall. Furthermore, existing law prohibits strikes specifically related to contributions to the Hawaii Employer-Union Health Benefits Trust Fund, withholding a fundamental tool in the bargaining process from public employees. Consequently, negotiations during the bargaining process are imbalanced to the detriment of public employees. This measure will allow an impartial arbitration panel to resolve disputes involving health care contributions and restore vital leverage to public employees, ensuring a fairer path toward a final agreement.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2117, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committees on Judiciary and Ways and Means,


DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair

