

STAND. COM. REP. NO.

731

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1078  
S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1078, S.D. 1, 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 specify that the benefits of the Hawaii Employer-Union Health Benefits Trust Fund ("EUTF") are subject to negotiation between the public employer and the exclusive representative of a bargaining unit of public employees.

Furthermore, this measure gives the arbitration panel, rather than the Legislature, the duty to resolve public sector collective bargaining disputes over the benefits or the amounts of contributions.

Your Committee received comments in support of this measure from Randy Perreira, Executive Director, Hawaii Government Employees Association.

Your Committee received comments in opposition to this measure from Kalbert K. Young, Director, Department of Budget and Finance.

Your Committee finds that as presently organized, the EUTF is not providing affordable health care to public employees, especially for employees who need family coverage and who are at a lower pay range. Through mandatory negotiations over both

SB1078 SD2 SSCR LRB 11-2486.doc



premiums and benefits, the exclusive representatives of public employee collective bargaining units will be able to identify benefit features that can be reduced or restructured without eliminating key coverage areas. Another objective of negotiating over benefits is to promote preventive care while discouraging care that is not needed. Negotiations will create greater incentives to implement wellness programs, which can help control plan costs over the long-term.

Your Committee has amended this measure by:

- (1) Adding references to group life insurance benefits plans that are also provided by the EUTF; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1078, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1078, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1078, SBI	JDL, WAM	3-1-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.				/
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam			/	
<b>TOTAL</b>	12	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes