

STAND. COM. REP. NO. 2180

Honolulu, Hawaii

FEB 15 2012

RE: S.B. No. 2214
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 2214 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 clarify that:

- (1) The employer and exclusive representative shall negotiate the state and county contribution amounts to the Hawaii employer-union benefits trust fund for health benefit plans and group life insurance benefits for active employees and retirees;
- (2) The negotiations relating to contributions to the Hawaii employer-union benefits trust fund are subject to the impasse procedures prescribed under the collective bargaining laws; and
- (3) A decision of an arbitration panel is final and binding when parties cannot reach an agreement with respect to the amounts of contributions paid by the State to the Hawaii employer-union benefits trust fund.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly; the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; the Hawaii State Teachers Association; the Hawaii Fire Fighters Association, IAFF Local 1463, AFL-CIO; and the United Public



Workers, AFSCME Local 646, AFL-CIO. Testimony in opposition to this measure was submitted by the Department of Budget & Fiscal Services of the City and County of Honolulu. The Department of the Attorney General submitted comments.

Your Committee finds that the existing collective bargaining laws lack a dispute resolution procedure to resolve disagreements over the contributions to the Hawaii employer-union benefits trust fund. Existing law requires that if the employer and exclusive representative cannot agree on the amount of contributions, then the pro rata share will be determined by the Legislature while all other negotiable items may proceed to impasse. This measure will allow disputes over contributions to be treated similarly to other negotiable items and resolved through impasse procedures, such as arbitration or striking, depending on the bargaining unit involved.

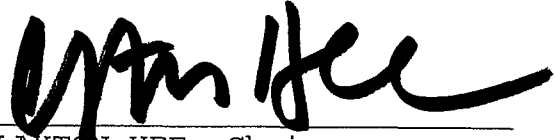
Your Committee has amended this measure by:

- (1) Deleting language that allows the employer and unions to negotiate over contributions to the Hawaii employer-union benefits trust fund for retirees since retiree benefits are not subject to bargaining under existing collective bargaining laws;
- (2) Inserting an effective date of July 1, 2050, to ensure further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2214, S.D. 1, and be referred to the Committee on Ways and Means.



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



CLAYTON HEE, Chair



