

Honolulu, Hawaii
March 21, 2014

RE: S.B. No. 2074
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2074, S.D. 1, entitled:

"A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,"

begs leave to report as follows:

The purpose of this measure is to appropriate unspecified amounts, for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii-Employer Union Health Benefits Trust Fund costs, and other cost adjustments for officers and employees within collective bargaining unit (9) and their excluded counterparts.

The University of Hawaii and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by changing the appropriations to the Hawaii Health Systems Corporation- corporate office (HTH 210) in parts V and VI of the measure to instead be to the Hawaii Health Systems Corporation- regions (HTH 212). Technical, nonsubstantive amendments were also made for clarity, consistency, and style.



Your Committee notes that amendments to this measure were proposed by the Director of Finance. These amendments specified the source for the Hawaii Health Systems Corporation's portion of the negotiated cost items as the Hawaii Health Systems Corporation's special funds. However, your Committee has been informed that the Hawaii Health Systems Corporation would likely not be able to absorb this cost and would likely request an additional appropriation from the general fund.

Upon further discussion, your Committee respectfully recommends that, should your Committee on Finance consider this measure, it allow the State's general fund to remain the source of funding for the Hawaii Health Systems Corporation's cost items for this collective bargaining agreement. Your Committee believes that this will enable the Legislature to more accurately plan for future state expenditures and will reduce the need for future emergency appropriations to the Hawaii Health Systems Corporation.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2074, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



MARK M. NAKASHIMA, Chair



State of Hawaii
House of Representatives
The Twenty-seventh Legislature

HSCR 1183-14

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 2074, SDI	Committee Referral: LAB, FIN	Date: 3-18-14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. ICHIYAMA, Linda	/			
5. TAKAYAMA, Gregg	/			
6. ING, Kaniela				/
7. TAKUMI, Roy M.	/			
8. YAMANE, Ryan I.	/			
9. JOHANSON, Aaron Ling	/			
TOTAL (9)	8	—	—	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				