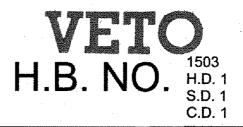
HOUSE OF REPRESENTATIVES TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII



ACT No.\_\_\_

Approved:

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A BILL FOR AN ACT VETO OVERRIDE

RELATING TO EMPLOYMENT.

	Dated: July 10, 2007
	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:
1	SECTION 1. Section 394B-2, Hawaii Revised Statutes, is
2	amended as follows:
3	1. By adding a new definition to be appropriately inserted
4	and to read:
5	" "Divestiture" means the transfer of any covered
6	establishment from one employer to another because of the sale,
7	transfer, merger, bankruptcy, or other business takeover or
8	transaction of business interests that causes the covered
9	establishment's employees to become dislocated workers."
10	2. By amending the definitions of "closing", "covered
11	establishment", and "employer" to read:
12	""Closing" means the permanent shutting down of all
13	operations within a covered establishment due to the sale,
14	transfer, merger, [and] other business takeover or transaction
15	of business interests [which], bankruptcy, or other close of
16	business transaction that results in or may result in the layoff
17	or termination of employees of a covered establishment by the
18	employer.
	HB1503 CD1 HMS 2007-4139

"Covered establishment" means any industrial, commercial, 1 or other business entity [which] that employs at any time in the 2 preceding twelve-month period, fifty or more persons. 3 "Employer" means any [person who,] individual or entity 4 that, directly or indirectly, owns, operates, or has a 5 controlling interest in a covered establishment, excluding the 6 State or any political subdivision thereof." 7 8 SECTION 2. Section 394B-9, Hawaii Revised Statutes, is amended to read as follows: 9 "§394B-9 Notification[-]; penalty. (a) An employer in a 10 11 covered establishment shall provide to each employee and the director written notification of a closing, divestiture, partial 12 closing, or relocation at least sixty days prior to its 13 14 occurrence. 15 (b) An employer that violates this section shall be liable to each affected employee for an amount equal to back pay and 16 benefits for the period of violation not to exceed sixty days. 17 This liability may be reduced by any: 18 Wages the employer pays during the notice period; and 19 (1)(2) Voluntary and unconditional payment not required by a 20

H.B. NO.

21

Page 2

HB1503 CD1 HMS 2007-4139

legal obligation.

Page 3

## H.B. NO. 1503 H.D. 1 S.D. 1 C.D. 1

1	(c) An employer of a covered establishment that is
2	actively seeking a buyer for a sale, transfer, or merger shall
3	not be required to provide the notice required under subsection
4	(a) until the employer has entered into a binding agreement for
5	the sale, transfer, or merger of the covered establishment that
6	results in a divestiture.
7	(d) An employer who fails to provide notice under this
8	section shall be subject to a civil penalty not to exceed \$500
9	for each day of the violation and the amount shall be deposited
10	in the employment and training fund under section 383-128;
11	provided that the employer may avoid the penalty if the employer
12	satisfies its liability to each affected employee within three
13	weeks after the closing. In any suit, the court, in its
14	discretion, may award the prevailing party reasonable attorney's
15	fees and costs."
16	SECTION 3. Section 394B-12, Hawaii Revised Statutes, is
17	amended to read as follows:
18	"[+] \$394B-12[+] Civil penalties. [Any] Except as provided
19	in section 394B-9(b), any employer who fails to conform to the
20	provisions of this chapter shall be liable to each of the
21	employees affected in an amount equal to the value of all their
22	wages, benefits, and other compensation for the three months
	HB1503 CD1 HMS 2007-4139

Page 4

<pre>1 preceding the closure, partial closure, or relocation of the 2 covered establishment." 3 SECTION 4. This Act does not affect rights and duties that 4 matured, penalties that were incurred, and proceedings that were 5 begun, before its effective date. 6 SECTION 5. Statutory material to be repealed is bracketed 7 and stricken. New statutory material is underscored. 8 SECTION 6. This Act shall take effect upon its approval.</pre>		
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1503 H.D. 1 S.D. 1 C.D. 1

H.B. NO.

