

STAND. COM. REP. NO.

135

Honolulu, Hawaii

Feb 7, 2007

RE: H.B. No. 1503

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1503 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT,"

begs leave to report as follows:

The purpose of this bill is to strengthen protections for dislocated workers by amending Hawaii's Dislocated Workers Law. Specifically, this bill:

- (1) Expands the 60 day notification to employees and the Director of the closing of covered establishments by:
 - (a) Adding the notification requirement for the transfer of any covered establishment from one employer to another because of the sale, transfer, merger, and other business takeover or transaction of business interest; and
 - (b) Expanding the definition of "closing" to include bankruptcy and other close of business transactions;

and

- (2) Imposes penalties on an employer who fails to notify the Director or employees of a closing, partial closing, divestiture, or relocation of a business.

HB1503 HSCR LAB HMS 2007-1805



The Hawaii State AFL-CIO and ILWU Local 142 testified in support of this bill. The Department of Labor and Industrial Relations submitted comments.

Your Committee finds that current Hawaii law protects employees who face termination from employment due to a sudden closure or partial closure of a business as a result of a sale, transfer, merger, or transaction of business interests. However, bankruptcies and divestitures of businesses are not covered under current law. This bill will help ameliorate the effects these situations will have on people's lives.

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 H.B. No. 1503 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

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



ALEX M. SONSON, Chair



