

STAND. COM. REP. NO.

1604

Honolulu, Hawaii

APR 05 2007

RE: H.B. No. 1503
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 1503, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT,"

begs leave to report as follows:

The purpose of this measure is to strengthen protections for
dislocated workers by amending Hawaii's Dislocated Workers Law to
provide a sixty-day notice to employees who become dislocated due
to a sale, transfer, merger, and other business transaction.

The measure requires an employer to pay a civil penalty of
\$500 for each day of the violation for failing to provide the
required notice.

Testimony in support of this measure was received from the
ILWU Local 142 and the Hawaii State AFL-CIO. Opposing testimony
was received from the Chamber of Commerce of Hawaii, the Society
for Human Resource Management - Hawaii Chapter (SHRM), the Retail
Merchants of Hawaii, and the Hawai'i Hotel & Lodging Association.
The Department of Labor and Industrial Relations provided
comments.

The Hawai'i Hotel & Lodging Association expressed concerns
that this measure will include a sale of an establishment that
does not affect the status of the employees. Language, agreed
upon by the Hawai'i Hotel & Lodging Association and the ILWU Local

HB1503 HD1 SD1 SSCR JDL.doc



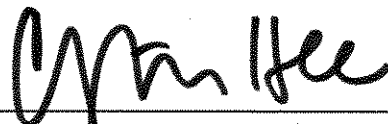
142, has been added in Section 2 of this bill and discussed in the following paragraph in section (2) (a).

Your Committee has amended this bill by:

- (1) Amending the definition of "divestiture" to limit the scope of the measure to only cover the types of business transactions that cause the employee to become a dislocated worker.
- (2) Amending Section 394B-9, Hawaii Revised Statutes (HRS) by:
 - (A) Adding a new section (c) to exempt a covered establishment which is actively seeking a buyer for a sale, transfer, or merger until such time the sale, transfer, or merger results in a divestiture. If the transaction results in a divestiture then the covered establishment shall meet the requirements of this chapter; and
 - (B) Adding language to require that the money collected from the civil penalty be deposited in the Employment and Training Fund of section 383-128, HRS.
- (3) Amending the effective date to upon its approval.

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 H.B. No. 1503, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1503, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

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



CLAYTON HEE, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1503 HD1	JDL	3/21/07		
<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
HEE, Clayton (C)	/			
KOKUBUN, Russell S. (VC)	/			
INOUE, Lorraine R.	/			
NISHIHARA, Clarence K.	/			
GABBARD, Mike	/			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Russell S. Kubit</i>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes