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## HOUSE CONCURRENT RESOLUTION

REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO  
REPORT ON THE EFFECTIVENESS OF THE DISLOCATED WORKERS  
PROGRAM.

1           WHEREAS, in today's troubled economy, businesses are  
2 closing at an unprecedented pace; and

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4           WHEREAS, in Hawaii, the businesses that are the most  
5 vulnerable are those connected to, and dependent on, the tourism  
6 industry; and

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8           WHEREAS, with Hawaii's tourism industry especially hard hit  
9 by the recession, and hotel occupancy rates dropping to 66  
10 percent so far this year, many businesses have been forced to  
11 lay off workers or shut down entirely, including prominent  
12 entities such as Weyerhaeuser, Aloha Airlines, the Molokai Ranch,  
13 ATA Airlines, the Hawaii Medical Center, Maui Land & Pineapple,  
14 Sea Life Park, the Honolulu Advertiser, Palama Meat Company,  
15 Servco Pacific Incorporated, and the Honolulu Star-Bulletin, to  
16 name a few; and

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18           WHEREAS, such mass layoffs practices create disruption in  
19 the workforce, in the business itself, and in the community; and

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21           WHEREAS, Act 5, passed during the First Special Session of  
22 2007, was passed with the intention of addressing large scale  
23 layoffs, and required businesses to give the Department of Labor  
24 and Industrial Relations and employees 60 days notice of the  
25 transfer, sale, merger, bankruptcy or other business takeover or  
26 transaction of business interests that causes dislocated workers  
27 or face severe penalties; and

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29           WHEREAS, in a tumultuous economy, business owners do not  
30 often know 60 days in advance of a business closing, or they may



1 trying to secure alternative financing to keep the business  
2 going; and

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4 WHEREAS, some legislators have agreed with business  
5 interests who have vigorously argued that such legislation was  
6 bad for business and would drive away investors, especially the  
7 penalty provisions added to chapter 394B, the dislocated workers  
8 chapter, but the Act was passed; and

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10 WHEREAS, in the span of time between the passage of Act 5  
11 and the present, many businesses have closed or laid off  
12 workers, falling under the scope of chapter 394B and the  
13 recently enacted penalty provisions of Act 5, First Special  
14 Session of 2007; now, therefore,

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16 BE IT RESOLVED by the House of Representatives of the  
17 Twenty-Fifth Legislature of the State of Hawaii, Regular Session  
18 of 2009, the Senate concurring, that the Director of Labor and  
19 Industrial Relations is respectfully requested to conduct a  
20 study on the effectiveness of the expanded dislocated workers  
21 program in mitigating the dislocation of workers; and

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23 BE IT FURTHER RESOLVED that the Director of Labor and  
24 Industrial Relations is further requested to include in the  
25 study, the prevalence of the imposition of penalties under Act  
26 5, First Special Session of 2007, for businesses falling under  
27 the scope of chapter 394B since the inception of Act 5, and to  
28 submit findings and recommendations, including any proposed  
29 legislation, to the Legislature not later than twenty days prior  
30 to the convening of the Regular Session of 2010; and

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32 BE IT FURTHER RESOLVED that a certified copy of this  
33 Concurrent Resolution be transmitted to the Director of Labor  
34 and Industrial Relations.



# H.C.R. NO. 203

OFFERED BY: *Barbara Mammoto*

MAR 18 2009

