
HOUSE 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 Weyerhauser, 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
22 of 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, that the Director of Labor and Industrial Relations is
19 respectfully requested to conduct a study on the effectiveness
20 of the expanded dislocated workers program in mitigating the
21 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 Resolution be transmitted to the Director of Labor and
34 Industrial Relations.

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H.R. NO. 165

OFFERED BY: *Sumera Mammot*

MAR 18 2009

