

STAND. COM. REP. NO.

494

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 688

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam:

Your Committee on Labor, to which was referred S.B. No. 688  
entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT,"

begs leave to report as follows:

The purpose of this measure is to establish worker retention  
requirements upon the divestiture of a covered establishment.

Testimony in support of the measure was submitted by seven  
organizations. Testimony in opposition to the measure was  
submitted by one state agency and three organizations. Copies of  
written testimony are available for review on the Legislature's  
website.

Your Committee finds that this measure would address the  
problem of layoffs of employees due to the sale or ownership  
change of a business and provides for some stability during the  
transition.

Your Committee further finds that this measure provides for  
employees to be treated as valued stakeholders in a business and  
promotes the fair and respectful treatment of existing employees  
during the sale or ownership change of a business.

Your Committee acknowledges the concern that this measure may  
impact the value of a business and the ability of owners to  
operate the business. However, your Committee believes that this  
measure also provides sufficient protections to successor  
employers by allowing successor employers to conduct legal, pre-

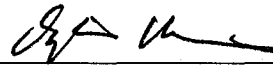
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hire screening to ensure a standard of quality among incumbent employees, to retain fewer than the total number of incumbent employees in certain situations, and to retain the right to manage all employees.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 688 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



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DWIGHT Y. TAKAMINE, Chair



The Senate  
 Twenty-Fifth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Labor**  
**LBR**

Bill / Resolution No.:* <i>SB 688</i>	Committee Referral: <i>LBR</i>	Date: <i>2/10/09</i>		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
TAKAMINE, Dwight Y. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
BUNDA, Robert	✓			
HEE, Clayton	✓			
SLOM, Sam			✓	
<b>TOTAL</b>	<i>4</i>	<i>0</i>	<i>1</i>	<i>0</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes