STAND. COM. REP. NO.

-12

Honolulu, Hawaii

Jan 31 , 2012

RE: H.B. No. 1679 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committees on Labor & Public Employment and Economic Revitalization & Business, to which was referred H.B. No. 1679 entitled:

"A BILL FOR AN ACT RELATING TO WAGES,"

beg leave to report as follows:

The purpose of this measure is to protect the rights of Hawaii's workers by providing workers with greater wage related information and expanding criminal and civil penalties to enhance the enforcement of prohibitions on wage theft. Specifically, this measure, among other things:

- (1) Provides for public notice of employer violations of law addressing wage, hour, and other compensation;
- (2) Increases an employer's record keeping requirements for an employee's pay record;
- (3) Requires employers to provide employees with specific wage and employer information at the time of hiring and in employees' pay records; and
- (4) Increases the penalties for an employer's noncompliance with wage requirements and the Department of Labor and Industrial Relations' enforcement functions.

ILWU Local 142 testified in support of this measure. Department of Labor and Industrial Relations provided comments.

Under current Hawaii law, an employer is required to provide basic pay information to employees on an individual's pay statement. Employers are also required to maintain pay records. At times, however, information about wages and other forms of compensation are not clearly explained on an employee's pay statement which can lead to confusion on the part of an employee when the employee tries to determine the accuracy of the pay statement. Requiring employers to provide employees with specific wage and employer information in a clear manner would address this issue.

Your Committees recognize the concerns raised by the Department of Labor and Industrial Relations regarding the cost and implementation aspects of the notification requirements and extensive revision and expansion of civil and criminal penalties contained in this measure. Accordingly, your Committees have amended this measure by deleting language:

- (1)Providing for public notice of employer violations of law addressing wage, hour, and other compensation;
- (2) Requiring employers to provide employees with specific wage and employer information at the time of hiring; and
- (3) Increasing penalty provisions for an employer's noncompliance with wage requirements and the Department of Labor and Industrial Relations' enforcement functions.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Revitalization & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1679, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1679, H.D. 1, and be referred to the Committee on Judiciary.

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Respectfully submitted on behalf of the members of the Committees on Labor & Public Employment and Economic Revitalization & Business,

ANGUS L.K. McKELVEY, Chair

KARL RHOADS, Chair

HSCR 19

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Labor & Public Employment

HO 1079	Committee LAO/ER	e Referral: Do JVD cO	N	Date: 1-27-1	2_		
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
LAB Members		Ayes	Ayes (WR	Nays	Excused		
1. RHOADS, Karl (C)							
2. YAMASHITA, Kyle T. (VC)						
3. AQUINO, Henry J.C.							
4. CULLEN, Ty		_					
5. ICHIYAMA, Linda							
6. LEE, Marilyn B.		/					
7. LUKE, Sylvia							
8. OKAMURA, Tom		_					
9. SAIKI, Scott K.		/					
10. SOUKI, Joseph M.							
11. TAKUMI, Roy M.			•				
12. FONTAINE, George R.					_		
13. JOHANSON, Aaron Ling	_		-				
TOTAL (13)		13	_				
The recommendation is: Adopted If joint referral, did not support recommendation. Committee acronym(s)							
Vice Chair's or designee's signature:							
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO							

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Record of Votes of the Committee on Economic Revitalization & Business

	/ERB,	JUD, F/W	1/27/	12			
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
ERB Members	Ayes	Ayes (WR)	Nays	Excused			
1. McKELVEY, Angus L.K. (C)							
2. CHOY, Isaac W. (VC)							
3. AWANA, Karen L.	/						
4. BROWER, Tom	/		:	····			
5. EVANS, Cindy							
6. HASHEM, Mark J.				/			
7. NISHIMOTO, Scott Y.				ν			
8. TOKIOKA, James Kunane	/						
9. TSUJI, Clift	1						
10. MARUMOTO, Barbara C.				/			
11. PINE, Kymberly Marcos							
				_			
TOTAL (11)	8			3			
The recommendation is: Adopted							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							