

STAND. COM. REP. NO. 1143

Honolulu, Hawaii

MAR 27 2015

RE: H.B. No. 1497
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 1497, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LABOR,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require employers to maintain a record of their physical address and North American Industry Classification System code; and
- (2) Require professional employer organizations to provide to the Department of Labor and Industrial Relations the physical address, North American Industry Classification System code, and number of employees of each client company.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received testimony in opposition to this measure from Altres.

Your Committee finds that federal funding levels for the Department of Labor and Industrial Relations are in jeopardy due to the lack of accurate data regarding employing units. This measure would allow the Department of Labor and Industrial



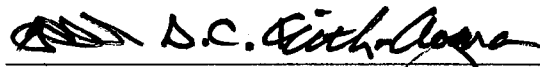
Relations to gather accurate data regarding employers and protect federal funding levels.

Your Committee has amended this measure by:

- (1) Adding a new section to chapter 373L, Hawaii Revised Statutes, to require client companies to disclose their physical address and North American Industry Classification System code to a professional employer organization and to update that information quarterly;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1497, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1497, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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



GILBERT S.C. KEITH-AGARAN, Chair



