

STAND. COM. REP. NO.

2409

Honolulu, Hawaii

FEB 19 2016

RE: S.B. No. 2961
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Human Services and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2961 entitled:

"A BILL FOR AN ACT RELATING TO FAMILY LEAVE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a family leave insurance program, which requires employees to make contributions into a trust fund to be used to provide employees with family leave insurance benefits in order to care for a designated person; and
- (2) Expand the reach of employees that are subject to the family leave law and children and parents who may be cared for using family leave.

Your Committees received testimony in support of this measure from Hawaii State Commission on the Status of Women, Policy Advisory Board for Elder Affairs, Americans for Democratic Action Hawaii, Breastfeeding Hawaii, Family Programs Hawaii, Hawaii Family Caregiver Coalition, Hawai'i Public Health Institute, Hawaii State Coalition Against Domestic Violence, Hawaii Women's Coalition, Healthy Mothers Healthy Babies Coalition of Hawaii, Planned Parenthood Votes Northwest and Hawaii, Hawaii Children's Action Network, Hawai'i Coalition for Immigrants Rights, Women's Caucus Democratic Party of Hawai'i, and nineteen individuals. Your

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Committees received testimony in opposition to this measure from the Department of Public Safety, Chamber of Commerce Hawaii, National Federation for Independent Business, Society for Human Resource Management Hawaii Chapter, and International Longshore and Warehouse Union Local 142. Your Committees received comments on this measure from the Department of Labor and Industrial Relations, Democratic Party of Hawai'i, and one individual.

Your Committees find that Hawaii's working families are not adequately supported during times of caregiving and illness. The majority of Hawaii's workforce cannot afford to take unpaid leave when needing to provide care to a newborn, bond with a new child, or care for a family member with a serious health condition. Currently, the federal Family Leave Act allows for unpaid leave with job protection for up to twelve weeks for employers with fifty or more employees; however, this leaves out forty percent of the workforce in the United States. The Hawaii Family Leave Act only applies to employers with one hundred or more employees and only allows for four weeks of unpaid leave with job protection. Your Committees heard testimony on the importance of mother-baby bonding and of allowing working mothers the time necessary to recover and bond with their newborn and testimony regarding other states that have implemented paid family leave policies with no economic disadvantages to businesses. Your Committees heard testimony concerned with the large leave allowed and the adverse effect on businesses that need to cover the employee on leave.

However, your Committees also received testimony about how paid family leave has been shown to benefit businesses in California, a state that has implemented paid family leave laws. Specifically, the paid family leave laws have resulted in reduced absenteeism, increase in business revenue, retention of a better workforce, and reduction in turnover costs based on retention. Paid family leave also contributes to stronger employer-employee relations by building the bonds of trust and understanding during a time of work-life crisis or significant financial crossroads where most people in Hawaii now have to choose between losing wages or losing a job and taking care of an ill family member or tending to a newborn.

Your Committees note the concerns raised in testimony by the Department of Labor and Industrial Relations, including the burden this measure would impose on employees in the form of required contributions to the family leave trust fund, the administrative burden this measure would impose on the Department, and conflicts



between this measure and existing statute. Your Committees encourage the Department of Labor and Industrial Relations to provide the information regarding temporary disability insurance and additional concerns raised in its testimony to your Committees on Judiciary and Labor and Ways and Means.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2961, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2961, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair




SUZANNE CHUN OAKLAND, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i


Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB2961	Committee Referral: HMS/CPH, JD4/WAM	Date: 2/9/16		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	X			
RIVIERE, Gil (VC)	X			
GREEN, Josh				X
HARIMOTO, Breene	X			
RUDERMAN, Russell E.				X
THIELEN, Laura H.	X			
SLOM, Sam				X
TOTAL	4	0	0	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2961	HMS/CPH, JD/WAM	2-5-16		
<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 type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
KIDANI, Michelle N. (VC)	/			
ESPERO, Will				/
IHARA, Jr., Les	/			
NISHIHARA, Clarence K.				/
RUDERMAN, Russell E.				/
SLOM, Sam			/	
TOTAL	3		1	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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