

Honolulu, Hawaii
February 15, 2018

RE: H.B. No. 1627
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1627 entitled:

"A BILL FOR AN ACT RELATING TO THE MINIMUM WAGE,"

begs leave to report as follows:

The purpose of this measure is to repeal the exemption authorizing compensation of impaired individuals at less than minimum wage.

Hawaii Appleseed Center for Law and Economic Justice, Pono Hawai'i Initiative, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, IMUAlliance, Kupuna Caucus of the Democratic Party of Hawaii, We Are One, Inc., Hawaii Restaurant Association, Patients Without Time, and many concerned individuals supported this measure. The Hawaii State AFL-CIO supported the intent of this measure. The Department of Labor and Industrial Relations, Hawaii Disability Rights Center, Goodwill Hawaii, Self Advocacy Advisory Council, and a few concerned individuals offered comments.

Should the Committee on Finance deliberate further on this measure, your Committee respectfully requests that it consider the Hawaii Disability Rights Center's comments on the importance of providing more resources and oversight of the Department of Human Services' Division of Vocational Rehabilitation and the Department



of Health's Developmental Disabilities Division to better serve individuals with disabilities, and that the elimination of the subminimum wage may adversely affect the competitive employment of individuals with disabilities.

Your Committee has amended this measure by:

- (1) Clarifying that the exemption authorizes compensation of persons with intellectual disabilities at less than minimum wage; and
- (2) Changing the effective date to January 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1627, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1627, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



AARON LING JOHANSON, Chair



