

Honolulu, Hawaii

MAR 23 2018

RE: H.B. No. 1727  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Labor, to which was referred H.B. No. 1727,  
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 provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care, or due to a public health emergency; and
- (2) Give employers flexibility to offer paid sick leave to minimum wage and other employees or to pay minimum wage employees a salary that is more than the minimum wage.

Your Committee received testimony in support of this measure from the International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii State AFL-CIO; Labor Caucus of the Democratic Party of Hawaii; ILWU Local 142; Hawaii State Teachers Association; IMUAlliance; and two individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu Department of Human Resources; Chamber of Commerce Hawaii; Hawaii Food Industry Association;



Hawaii Credit Union League; Aloha Shell Service; Hawaii Petroleum; City Mill Co., Ltd.; Hawaii Restaurant Association; ABC Stores; Hawaiian Chip Company; Retail Merchants of Hawaii; National Federation of Independent Business; Society for Human Resource Management - Hawaii Chapter; Building Industry Association of Hawaii; The Queen's Health Systems; Maui Chamber of Commerce; Tiki's Grill and Bar; and thirty-three individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Department of Human Resources Development, Hawaii State Commission on the Status of Women, YWCA O'ahu, Hawaii Women's Coalition, Hawaii Children's Action Network, Hawai'i Appleseed Center for Law & Economic Justice, American Council of Engineering Companies of Hawaii, and one individual.

Your Committee finds that Hawaii's working families are especially vulnerable, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to care for themselves or a family member who is ill or needs medical care. Yet, for 240,000 employees who serve as primary caregivers to a family member, this is the dilemma they face. Your Committee further finds that seven in ten children live in a household where both parents work, and over a quarter of children live in households with single parents; therefore, a lack of meaningful paid sick leave policies puts them most at risk.

Your Committee has amended this measure by:

- (1) Amending the definition of "employer" to exclude federal employers;
- (2) Clarifying that grandparents are included within the definition of "family member";
- (3) Reducing the number of hours of work required for an employee to begin accrual of paid sick leave from six hundred eighty hours to four hundred eighty hours;
- (4) Reducing the hour of employment on which an employee is entitled to use accrued paid sick leave from the seven hundred fiftieth hour to the four hundred eighty-first hour;



- (5) Deleting language that would have allowed paid sick leave to be provided based on a manner deemed suitable by the employer; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee requests that, as this measure moves forward, your Committee on Ways and Means consider inserting an enforcement provision.

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 H.B. No. 1727, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1727, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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



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JILL N. TOKUDA, Chair



The Senate  
 Twenty-Ninth Legislature  
 State of Hawai'i

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

Bill / Resolution No.:* <i>HB 1727, HDI</i>	Committee Referral: <i>LBR, WAM</i>	Date: <i>3/20/18</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 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
TOKUDA, Jill N. (C)	✓			
ENGLISH, J. Kalani (VC)	✓			
CHANG, Stanley	✓			
IHARA, Jr., Les	✓			
TANIGUCHI, Brian T.	✓			
<b>TOTAL</b>	<i>5</i>			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>J. Kalani English</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