

STAND. COM. REP. NO.

699

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 4
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 4 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to require employers to provide a minimum amount of paid sick leave to employees that can be used to care for themselves or a family member who is ill or needs medical care.

The Hawaii State Commission on the Status of Women; Hawaii State Teachers Association; Hawaii Children's Action Network; International Longshore and Warehouse Union Local 142; Hawaii State AFL-CIO; Hawaii Women's Coalition; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Democratic Party of Hawaii; LGBT Caucus of the Democratic Party of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and numerous individuals testified in support of this measure. The Department of Human Resources Development, National Federation of Independent Business, Society for Human Resource Management - Hawaii Chapter, Maui Chamber of Commerce, Hawaii Lodging & Tourism Association, Ocean Tourism Coalition, Hawaii Crop Improvement Association, Hawaii Food Industry Association, General Contractors Association of Hawaii, The Hawaii Business League, Hawaii Credit Union League,



Fair Wind Cruises, The Chamber of Commerce Hawaii, Hawaii Automobile Dealers Association, and one individual testified in opposition. The Department of Labor and Industrial Relations provided comments.

Your Committee recognizes that some employers in the private sector already provide generous sick leave to employees. Your Committee also recognizes that very small businesses may be ill-equipped to implement this chapter.

Your Committee has amended this measure to better address the population of employees who have the greatest need for time off, but are the least likely to take time off while preserving the prerogative of management to choose how to address affected employees.

Additionally, your Committee has amended this measure by:

- (1) Amending the definition of "family member";
- (2) Changing the qualifications, requirements, and procedures for the accrual of paid sick leave;
- (3) Allowing employers to decide the manner in which sick leave is provided;
- (4) Amending notice and posting requirements;
- (5) Deleting sections related to employer records and enforcement;
- (6) Exempting employers who:
 - (A) Adopt or retain a paid sick leave policy that provides greater paid sick leave than required by this measure;
 - (B) Pay employees an unspecified amount greater than the minimum wage; and
 - (C) Employ less than an unspecified number of employees;



699

- (7) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

For employers to be exempt from providing paid sick leave, employers may need to pay between \$3 to \$5 more than the minimum wage.

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. 4, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 4, 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



