

Honolulu, Hawaii

, 2018

MAR 23

RE: S.B. No. 2990
S.D. 2
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 S.B. No. 2990, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to lay the groundwork to implement a framework of laws and policies for paid family leave so that all employees can access leave benefits during times when they need to provide care for a family member.

Among other things, this measure:

- (1) Establishes a temporary Paid Family Leave Implementation Board (Board) within the Department of Labor and Industrial Relations (DLIR) to assist in establishing paid family leave for all workers in the State;
- (2) Establishes the Paid Family Leave Special Fund (Special Fund) to support expenditures for staff and other administrative and operational costs of establishing paid family leave;



- (3) Specifies that by January 1, 2020, DLIR shall adopt rules that establish and codify paid family leave for all workers in the State;
- (4) Authorizes DLIR to adopt interim rules to remain in effect until January 1, 2022, or until rules are adopted, whichever occurs sooner;
- (5) Specifies that collection of payments under the Paid Family Leave Program begins by July 1, 2021, and the processing of payments begins by July 1, 2022;
- (6) Requires the Legislative Reference Bureau (LRB) to conduct an analysis of specified items to be included in the Board's report to the Legislature; and
- (7) Appropriates funds for LRB to conduct its analysis, to fund a full-time program manager to support the Board, the expenses of the Board, and the expenses of DLIR in establishing paid family leave.

The Hawaii State AFL-CIO; AARP Hawaii; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Caring Across Generations; Planned Parenthood Votes Northwest and Hawaii; Americans for Democratic Action; Hawaii Women Lawyers; PHOCUSED; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; American Civil Liberties Union of Hawai'i; IMUAlliance; Hawai'i Appleseed Center for Law and Economic Justice; Hawai'i Section of the American College of Obstetricians and Gynecologists; Hawai'i State Democratic Women's Caucus; Hawai'i Women's Coalition; National Association of Social Workers - Hawaii; International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artist and Allied Crafts Local Union 665; Young Progressives Demanding Action; Hawai'i State Commission on Fatherhood; Rainbow Family 808; Planned Parenthood Generation Action; and numerous individuals supported this measure. The Chamber of Commerce Hawaii; Society for Human Resource Management - Hawaii Chapter; Retail Merchants of Hawaii; Building Industry Association of Hawaii; Hawaii Credit Union League; and Hawai'i Restaurant Association opposed this measure. The Office of the Governor, Department of Budget and Finance, Department of Human Services, DLIR, LRB, Hawai'i State Commission on the Status of Women, General Contractors Association of Hawaii,



The Queen's Health Systems, International Longshore & Warehouse Union Local 142, Parents And Children Together, Hawaii State Teachers Association, Hawaii Children's Action Network, Community Alliance on Prisons, Hawai'i Public Health Institute, Healthy Mothers Healthy Babies, Mental Health America of Hawai'i, Hawaii Food Industry Association, Hawai'i Alliance for Progressive Action, and several individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending the composition of the Board by:
 - (A) Specifying that the Governor's Administrative Director or Chief of Staff, if an Administrative Director is not appointed, shall serve as the Board Chairperson;
 - (B) Specifying that the Director of Human Resources Development and Comptroller serve as non-voting members on the Board, rather than ex-officio members;
 - (C) Specifying that the respective Chairpersons of the Senate and House of Representatives are to serve as non-voting members;
 - (D) Removing the Insurance Commissioner from the Board and instead having a member from the accounting or tax industry to be appointed by the House Speaker to serve on the Board; and
 - (E) Clarifying that a representative of a business employing between 51 and 99 employees, to be appointed by the House Speaker, is to serve on the Board;
- (2) Requiring the Board to choose a paid family leave model;
- (3) Specifying that the Board shall give preference to paid family leave models based on certain priorities;
- (4) Establishing the Paid Family Leave Supplementation Special Fund; and



- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee would like to note advocates' preference for 16 weeks of paid family leave.

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 S.B. No. 2990, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2990, S.D. 2, 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



