

Honolulu, Hawaii

APR 06 , 2018

RE: S.B. No. 2990
S.D. 2
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2990, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish paid family leave and lay the groundwork to implement a framework of laws and policies 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 and to report on implementation to the Legislature;
- (2) Establishes the Paid Family Leave Special Fund to support expenditures for staff and other administrative and operational costs of establishing paid family leave;
- (3) Establishes the Paid Family Leave Supplementation Special Fund to provide small business assistance grants



to employers with fifty or fewer employees to offset wage costs;

- (4) Specifies that by January 1, 2020, DLIR shall adopt interim rules, exempt from Chapter 91, Hawaii Revised Statutes (HRS), that establish and codify paid family leave for all workers in the State;
- (5) Specifies that DLIR's interim rules shall remain in effect until January 1, 2022, or until rules are adopted, pursuant to Chapter 91, HRS, whichever occurs sooner;
- (6) Specifies that collection of payments under the Paid Family Leave Program shall begin by July 1, 2021, and the processing of payments shall begin by July 1, 2022;
- (7) 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
- (8) Appropriates funds for LRB to conduct its analysis and to DLIR 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 Office of the Governor, Office of the Lieutenant Governor, American Civil Liberties Union of Hawaii, Hawaii Women Lawyers, Hawaii Appleseed Center for Law and Economic Justice, PHOCUSED, University of Hawaii Professional Assembly, IMUAlliance, YWCA Oahu, Caring Across Generations, Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO, Hawaii State AFL-CIO, Hawaii State Commission on Fatherhood, League of Women Voters of Hawaii, Women's Caucus of the Democratic Party of Hawaii, Kupuna Caucus of the Democratic Party of Hawaii, Hawaii Advocates for Consumer Rights, Americans for Democratic Action Hawaii, Hawaii Meals on Wheels, Hawaii Women Lawyers, Filipina Advocacy Network, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Healthy Mothers Healthy Babies Coalition of Hawaii, Hawaii Women's Coalition, Young Progressives Demanding Action-Hawaii, and many concerned individuals supported this measure.



The National Federation of Independent Business, Society for Human Resource Management-Hawaii Chapter, Retail Merchants of Hawaii, The Chamber of Commerce Hawaii, Molokai Chamber of Commerce, Maui Chamber of Commerce, Hawaii Petroleum, Hawaii Crop Improvement Association, Building Industry Association of Hawaii, Hawaii Credit Union League, Ota & Hara, LLLC, Larry Jefts Farms, LLC, and one concerned individual opposed this measure.

The Department of Budget and Finance, DLIR, Department of Human Services, Hawaii State Commission on the Status of Women, Legislative Reference Bureau, Hawaii State Teachers Association, Hawaii Public Health Institute, Community Alliance on Prisons, Hawaii Children's Action Network, Hawaii Food Industry Association, General Contractors Association of Hawaii, ILWU Local 142, AARP Hawaii, Planned Parenthood Votes Northwest and Hawaii, Queen's Health Systems, Parents and Children Together, Hawaii Petroleum Marketers Association, YWCA Oahu, Mental Health America of Hawaii, and numerous concerned individuals provided comments on this measure.

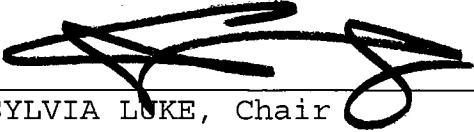
Your Committee has amended this measure by:

- (1) Tasking the Department of Human Services, rather than the DLIR, with implementing this measure; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2990, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2990, S.D. 2, H.D. 2.



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



SYLVIA LUKE, Chair



