

STAND. COM. REP. NO. 377

Honolulu, Hawaii

February 13, 2019

RE: H.B. No. 1186

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1186 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS,"

begs leave to report as follows:

The purpose of this measure is to appropriate additional funds for Fiscal Biennium (FB) 2019-2021 to support the programs and functions of the Department of Labor and Industrial Relations (DLIR) to increase the economic security, physical and economic well-being, and productivity of workers, and achieve good labor-management relations, including the administration of disability compensation, workers' compensation, employment security, apprenticeship training, wage and hour, and industrial relations laws.

Specifically, this measure appropriates additional funds for:

- (1) The Disability Compensation Division Modernization Project (Project) and independent verification and validation of the Project for each year of FB 2019-2021;
- (2) The Unemployment Insurance Modernization Project for each year of FB 2019-2021;

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- (3) The hiring of one full-time equivalent (1.0 FTE) permanent Disability Compensation Program Specialist II for each year of FB 2019-2021;
- (4) Operating costs incurred in the administration of the Hawaii Employment Security Law for Fiscal Year (FY) 2020-2021; and
- (5) The hiring of:
 - (A) One full-time equivalent (1.0 FTE) permanent staff attorney, exempt from the Civil Service Law and Collective Bargaining in Public Employment Law, for the Labor and Industrial Relations Appeals Board for FB 2019-2021;
 - (B) One full-time equivalent (1.0 FTE) permanent Program Specialist IV for the Hawaii Civil Rights Commission; and
 - (C) One full-time equivalent (1.0 FTE) permanent Labor Law Enforcement Specialist IV for the Wage Standards Division.

DLIR testified in support of this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation an unspecified amount for the operating costs for administering the Hawaii Employment Security Law;
- (2) Deleting the appropriation for the permanent Program Specialist IV for the Hawaii Civil Rights Commission as this is the jurisdiction of the Judiciary;
- (2) Making the appropriation an unspecified amount and the number of positions an unspecified number for the hiring of the permanent Labor Law Enforcement Specialist IV for the Wage Standards Division;
- (4) Changing its effective date to January 1, 2050, to facilitate further discussion; and



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

Your Committee notes the testimony of DLIR that this measure contains funding and staffing increases as contained in the Governor's Biennium Budget request and no other adjustments. It is your Committee's intent that the abolished DLIR positions not contained in the General Appropriations Act of 2019 should be discussed as amendments to the base budget rather than via this measure.

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. 1186, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1186, 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



