

Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 1841  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1841 entitled:

"A BILL FOR AN ACT RELATING TO FAIR EMPLOYMENT PRACTICES,"

begs leave to report as follows:

The purpose of this measure is to prohibit noncompete agreements for low wage workers.

Your Committee received testimony in support of this measure from the Hawaii Appleseed Center for Law and Economic Justice. Your Committee received testimony in opposition to this measure from Retail Merchants of Hawaii.

Your Committee finds that noncompete agreements can reduce job mobility, stifle innovation, and even lead to unemployment if a worker is unable to find a new job that does not violate a former employer's noncompete agreement, especially for low-income workers where the employee is unlikely to have obtained trade secrets or advanced skills training.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.



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. 1841, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1841, 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,



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AARON LIIG JOHANSON, Chair



