



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 11, 2020

To: The Honorable Aaron Ling Johanson, Chair,
The Honorable Stacelynn K.M. Eli, Vice Chair, and
Members of the House Committee on Labor and Public Employment

Date: Tuesday, February 11, 2020
Time: 9:10 a.m.
Place: Conference Room 309, State Capitol

From: Scott T. Murakami, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2273 RELATING TO WAGES

I. OVERVIEW OF PROPOSED LEGISLATION

HB2273 proposes to amend sections 387-12 and 388-10(b), Hawaii Revised Statutes (HRS), by increasing the penalty for violation of wage laws to a class C felony.

DLIR supports this measure.

II. CURRENT LAW

Section 387-12, HRS, provides for a fine of \$50 to \$500, or imprisonment for up to one year or both fine and imprisonment, to any employer, employer's agent, or any officer or agent of a corporation who agrees to or pays an employee less wages than the employee is entitled to under the Wage and Hour Law.

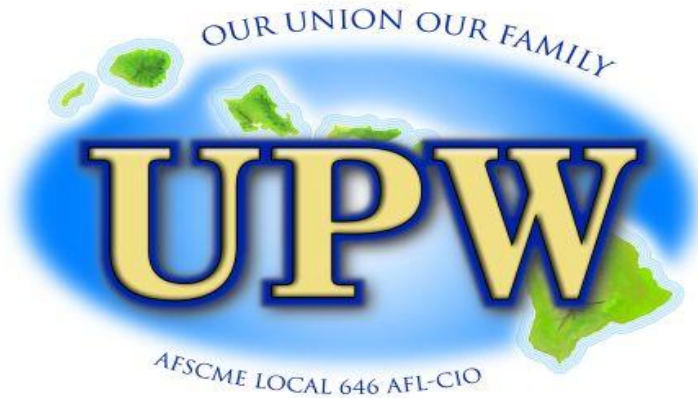
Section 388-10(b), HRS, provides for a fine of \$100 to \$10,000, or imprisonment for up to one year or both fine and imprisonment, to any employer or any officer of a corporation who fails to pay an employee's wages in accordance with the Payment of Wages Law.

III. COMMENTS ON THE HOUSE BILL

The DLIR supports the intent of increasing penalties for violation of wage laws. The DLIR notes that the \$50 to \$500 fine in Section 387-12, HRS has remained

unchanged since 1965.

The DLIR notes that in the Administration measure HB2350HD1, the civil penalties for Section 387-12, HRS, violations are proposed to increase from \$50 to \$500 to \$500 to \$5,000, based on the Bureau of Labor Statistics' Consumer Price Index Inflation Calculator for the equivalent amount in May 2019. The DLIR is supportive of HB2273 and recognizes the deterrent effect that fines have in curtailing illegal behavior.



THE HAWAII STATE HOUSE OF REPRESENTATIVES

The Thirtieth Legislature
Regular Session of 2020

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Representative Aaron Ling Johanson, Chair
Representative Staceylynn K. M. Eli, Vice Chair

Date of Hearing: Tuesday, February 11, 2020
Time of Hearing: 9:10 a.m.
Place of Hearing: Conference Room 309
State Capitol
415 South Beretania Street

TESTIMONY IN SUPPORT OF HB 2273 RELATING TO WAGES

By DAYTON M. NAKANELUA,
State Director of the United Public Workers,
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 13,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and four counties. The UPW also represents about 1,500 members in the private sector.

HB2273 increases the penalty for violation of wages and hours laws to a class C felony. The UPW supports this measure.

Thank you for the opportunity to submit this testimony.

HB-2273

Submitted on: 2/10/2020 9:58:16 AM

Testimony for LAB on 2/11/2020 9:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Calypso Charters	Oppose	No

Comments:

HB-2273

Submitted on: 2/8/2020 4:08:55 PM

Testimony for LAB on 2/11/2020 9:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Karin Nomura	Individual	Support	No

Comments:

HB-2273

Submitted on: 2/9/2020 5:03:39 PM

Testimony for LAB on 2/11/2020 9:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Azuma Chrupalyk	Individual	Support	No

Comments: