STAND. COM. REP. NO. 1720

Honolulu, Hawaii

APR 1 3 2021

RE: H.C.R. No. 104 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred H.C.R. No. 104, H.D. 1, entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A TASK FORCE TO STUDY, DESIGN, AND DEVELOP A PAID FAMILY LEAVE PILOT PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Director of Labor and Industrial Relations to convene a task force to study, design, and develop a Paid Family Leave Pilot Program with coverage limited to certain employers and employees, to be established and implemented by the Department of Labor and Industrial Relations (DLIR) as a trial program that could eventually be expanded to cover all public and private sector workers in the State.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; AAUW of Hawaii; Americans for Democratic Action Hawaii; Breastfeeding Hawaii; Common Cause Hawaii; Hawaii Children's Action Network Speaks!; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Planned Parenthood Votes Northwest and Hawaii; and Rainbow Family 808.com Inc. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, and Society for Human Resource Management Hawaii.

Your Committee finds that family leave provided under existing federal and state laws are mainly unpaid, and as of March 2018, only seventeen percent of workers in the United States had access to paid family leave through their employers. Your Committee further finds that the need for family leave in Hawaii is expected to increase as the percentage of residents aged sixty-five years and older is projected to rise from 17.1 percent in 2016, to 22.6 percent in 2030. However, due to financial constraints, a majority of Hawaii's workforce cannot afford to take unpaid family leave for family caregiving purposes.

Your Committee further finds that the Legislature has considered various measures over numerous sessions to establish a framework by which paid family leave can be provided to the Hawaii workforce, and in 2018, ordered the Legislative Reference Bureau to analyze the impacts of establishing a paid family leave program in Hawaii to enable the Legislature to choose a model or framework that is most suitable for Hawaii. In December 2019, the Legislative Reference Bureau issued its Paid Family Leave Program Impact Study, which projected the costs and staffing required to establish and maintain a paid family leave system in Hawaii under three social insurance models. Your Committee believes that the next step towards establishment of a state-wide paid family leave program is to have a task force study, design, and develop a pilot program with limited coverage to be implemented by DLIR that could eventually be expanded to the entire State.

Your Committee notes DLIR's testimony recommending that the measure identify the goal and objectives of the Paid Family Leave Pilot Program rather than having the task force develop them among competing interests. DLIR also requested that the Director of Labor and Industrial Relations or the director's designee be designated as the chairperson of the task force.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the Paid Family Leave Pilot Program to be studied, designed, and developed by the task force:
 - (A) Limit coverage to the employers and employees in the County of Kauai; and

- (B) Be modeled after and similar to the paid leave program established under the Hawaii Temporary Disability Insurance Law, chapter 392, Hawaii Revised Statutes;
- (2) Amending the composition of the task force and requesting the Director of Labor and Industrial Relations or the Director's designee to serve as its chairperson;
- (3) Clarifying that the task force is requested to commence its work upon the appointment of a simple majority of its members; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 104, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as H.C.R. No. 104, H.D. 1, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Labor, Culture and the Arts,

BRIAN T. TANIGUCHI, Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Labor, Culture and the Arts LCA

Bill / Resolution No.:*	Committee Referral:			Date:	
HCR 104, HDI	LCA, WAM			4/09/2021	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye /	Aye (WI	R) Nay	Excused
TANIGUCHI, Brian T. (C)	·	V			
IHARA, Jr., Les (VC)		V /			
CHANG, Stanley					
KEOHOKALOLE, Jarrett					V
FEVELLA, Kurt					V
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TOTAL		3	U	0	2
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
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^{*}Only one measure per Record of Votes