

Honolulu, Hawaii

FEB 08 , 2022

RE: H.B. No. 2448
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 2448 entitled:

"A BILL FOR AN ACT RELATING TO A STATEWIDE DATA HUB,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Department of Labor and Industrial Relations to establish and maintain a statewide data hub to collect employer and employee data;
- (2) Authorize the Department of Labor and Industrial Relations to determine the type of employer and employee data to collect, the functions of the statewide data hub, and access and document retention policies for the data; and
- (3) Appropriate funds for positions to staff the statewide data hub.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations; Department of Budget and Finance; and Department of Business, Economic Development, and Tourism.



Your Committee finds that the statewide data hub is intended to address gaps in the State's available employer and employee data. The utility of data collected through unemployment insurance records is hampered by federal stipulations because unemployment insurance is a federally funded program. Accordingly, many states have started a state data hub for employer and employee information so that they can collect appropriate data to make policy decisions.

Your Committee further finds that in 2021, the Department of Labor and Industrial Relations' Research and Statistics Division was abolished and the related positions and funding were transferred to the Department of Business, Economic Development, and Tourism. Therefore, even with the added positions and funding proposed in this measure, the Department of Labor and Industrial Relations would lack the expertise to undertake the establishment of a statewide data hub.

Your Committee finds that the statewide data hub would instead be a good complement to the work being done by the Labor Research Program at the Department of Business, Economic Development, and Tourism, and as such, the statewide data hub is more suitably placed in that department.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism, rather than the Department of Labor and Industrial Relations, to establish the statewide data hub;
- (2) Providing the Department of Business, Economic Development, and Tourism with wide flexibility in determining the type of employer and employee data to collect;
- (3) Changing the appropriation to an unspecified amount and making the expending agency the Department of Business, Economic Development, and Tourism;
- (4) Removing the appropriation to establish new positions to staff the statewide data hub;



- (5) Changing the effective date to December 25, 2040, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2448, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2448, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Tourism,



RICHARD H.K. ONISHI, Chair



