

STAND. COM. REP. NO. 2953

Honolulu, Hawaii

MAR - 1 2024

RE: S.B. No. 2474
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2474, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FAMILY LEAVE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a family leave insurance program.

More specifically, this measure:

- (1) Requires the Department of Labor and Industrial Relations to establish a family leave insurance program and pay family leave insurance benefits, submit annual reports to the Legislature, and conduct a family leave insurance program public outreach and education campaign;
- (2) Establishes a regulatory framework for the family leave insurance program;
- (3) Establishes a family leave insurance trust fund;
- (4) Establishes eligibility requirements for receipt of family leave insurance benefits;



- (5) Expands the definitions of "child", "employer", and "parent", as those terms relate to family leave;
- (6) Amends the criteria for family leave, including eligibility, duration, and qualifying events;
- (7) Clarifies employers' powers and rights relating to paid family leave; and
- (8) Appropriates moneys for the establishment, operation, and administration of the family leave insurance program.

Your Committee received written comments in support of this measure from the Department of Human Services; Disability and Communication Access Board; Executive Office on Aging; Executive Office on Early Learning; Office of Hawaiian Affairs; Office of Wellness and Resilience; AARP Hawaii; AF3IRM Hawaii; African American Lawyers Association of Hawaii; Aloha United Way; AlohaCare; American Academy of Pediatrics - Hawaii Chapter; American Civil Liberties Union of Hawaii; Breastfeeding Hawaii; Catholic Charities Hawaii; Chamber of Sustainable Commerce; Democratic Party of Hawaii; Democratic Party of Hawaii Education Caucus; Democratic Party of Hawaii Labor Caucus; Hawaii Alliance for Progressive Action; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Children's Action Network Speaks!; Hawaii Family Caregiver Coalition; Hawaii Health and Harm Reduction Center; Hawaii Hunger Action Network; Hawaii Public Health Association; Hawaii Public Health Institute; Hawaii State Association of Counties; Hawaii State Coalition Against Domestic Violence; Hawaii State Teachers Association; Hawaii Women Lawyers; Hawaii Workers Center; Hawaiian Community Assets; Imua Alliance; Mental Health America of Hawaii; Pacific Birth Collective; Papa Ola Lokahi; Parents And Children Together; Pride at Work Hawaii; Rainbow Family 808; Save Medicaid Hawaii; Stonewall Caucus of the Democratic Party of Hawaii; UNITE HERE Local 5; We Are One, Inc.; and numerous individuals.

Your Committee received written comments in opposition to this measure from Chamber of Commerce Hawaii, Hawaii Energy Marketers Association, Hawaii Government Employees Association, Hawaii Restaurant Association, Maui Chamber of Commerce, National



Federation of Independent Business, Retail Merchants of Hawaii, SHRM Hawaii, and United Public Workers.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Labor and Industrial Relations, Department of the Attorney General, American Council of Life Insurers, and Grassroot Institute of Hawaii.

Your Committee finds that establishing a family leave insurance program will help to more effectively support families across the State having young children and elderly or ill family members.

Your Committee notes that, in its written comments on this measure, the Department of the Attorney General recommended amending this measure to:

- (1) Clarify the administration of the paid family leave program;
- (2) Change the reference to "part V of chapter 392", Hawaii Revised Statutes, in section 398-I, Hawaii Revised Statutes, to read "section 398-24", Hawaii Revised Statutes;
- (3) Address the ambiguity of administration of the paid family leave insurance program in sections 398-21, 398-23, 398-24, and 398-26, Hawaii Revised Statutes, to specifically provide that these sections cannot be applied to the two administrative models described in this measure;
- (4) Amend sections 398-6, 398-7, 398-9, 398-10, 398-25, 398-26, and 398-27, Hawaii Revised Statutes, to clarify whether the sections apply to employees, covered individuals, or both, in accordance with the method of administering the paid family leave insurance program;
- (5) Replace the term "employee" with "covered individual" in sections 398-A(c)(1) and (c)(3), Hawaii Revised Statutes;



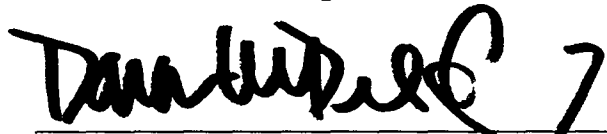
- (6) Delete the phrase "funds collected pursuant to section 398-I", Hawaii Revised Statutes, in section 398-D, Hawaii Revised Statutes, if the Legislature intends to create two separate administrative models;
- (7) Provide a method for calculating contribution rates;
- (8) Change the reference to "department of labor and industrial relation" in section 398-D, Hawaii Revised Statutes, to read "department";
- (9) Delete the words "an officer of" in section 398-I(b), Hawaii Revised Statutes; and
- (10) Change the phrase "appeal the petition for redetermination" in section 398-I(b), Hawaii Revised Statutes, to read "appeal the department's determination".

Your Committee has amended this measure by:

- (1) Correcting a reference to the trust fund for disability benefits; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2474, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2474, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2474 SD1	LBT/HHS, WAM	2/28/24

The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended
2312

Pass, with amendments
2311

Hold
2310

Recommit
2313

Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	12			1

Recommendation:

Adopted

Not Adopted

Chair's or Designee's Signature:

Distribution:

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*Only one measure per Record of Votes