



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKĀ'I

**JOSH GREEN, M.D.**  
GOVERNOR

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Statement of  
**CHRIS J. SADAYASU**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM**  
**AND**  
**SENATE COMMITTEE ON LABOR AND TECHNOLOGY**

Tuesday, February 7, 2023  
1:00 PM  
State Capitol, Conference Room 229

In consideration of  
**SB 1285**  
**RELATING TO LABOR DATA COLLECTION.**

Chairs DeCoite and Moriwaki, Vice Chairs Wakai and Lee and members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) supports SB1285 that allows DBEDT to collect and analyze labor related information and data from employers.

Act 88, SLH 2021, eliminated the Department of Labor and Industrial Relations (DLIR) Research and Statistics Office and transferred a majority of the research programs and staff to the Research and Economic Analysis Division of DBEDT. However, while the labor research program and staff were transferred, DBEDT does not have the authority to collect and analyze employer data related to industry and occupational wages by county, and other conditions and practices of employment in the State. This data and analysis support vital programs including the Quarterly Census of Employment and Wages program and the Occupational Employment and Wage Statistics program.

The authorization is critical for DBEDT to continue the labor research programs as when they were with DLIR.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR



JADE T. BUTAY  
DIRECTOR

WILLIAM G. KUNSTMAN  
DEPUTY DIRECTOR

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA



February 6, 2023

To: The Honorable Lynn Decoite, Chair,  
The Honorable Glenn Wakai, Vice Chair, and  
Members of the Senate Committee on Energy, Economic Development,  
And Tourism Labor and Technology

The Honorable Sharon Y. Moriwaki, Chair,  
The Honorable Chris Lee, Vice Chair, and  
Members of the Senate Committee on Labor and Technology

Date: Tuesday, February 7, 2023  
Time: 1:00 p.m.  
Place: Conference Room 229 & Videoconference State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 1285 RELATING TO LABOR DATA COLLECTION**

**I. OVERVIEW OF PROPOSED LEGISLATION**

SB1285 proposes to amend Chapter 201, Hawaii Revised Statutes (HRS), by adding a new section to allow the Department of Business, Economic Development, and Tourism (DBEDT) to collect and analyze employer information and data.

**II. COMMENTS ON THE HOUSE BILL**

The DLIR supports the intent of this bill and currently works with DBEDT to share employer information and data within the statutory disclosure provisions contained in Chapter 383, HRS.

The department suggests a technical amendment be made to delete the first sentence "Statutory material to be repealed is bracketed and stricken." in Section 2 as it appears to be a clerical mistake.



**TESTIMONY OF TINA YAMAKI, PRESIDENT  
RETAIL MERCHANTS OF HAWAII  
February 7, 2023  
Re: SB 1285 RELATING TO LABOR DATA COLLECTION**

Good afternoon, Chair DeCoite and Chair Moriwaki and members of the Senate Committee on Energy, Economic Development & Tourism, and the Senate Committee on Labor & Technology. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

While we understand the state's desire for this type of information, we are strongly opposed to SB 1285 Relating to Labor Data Collection. This measure amends section 201-13.8, Hawai'i Revised Statutes, to allow the Department of Business, Economic Development, and Tourism to collect and analyze employer information and data.

Retailers are concerned about the type of information that is being sought since this measure has no real parameters on what information could be asked and that businesses would have to provide. Government could ask businesses for a variety of information that goes beyond the scope and all under the guise of wages, hours, conditions, and practices of employment. This measure also does not specify that information would be aggregated.

We are especially concerned with the department having access to and the right to copy records of any matter or thing pertinent to this subsection from employers. The information being asked for could include sensitive information that is proprietary. As we have seen, Government and private businesses are not immune to data breaches or cyber-attacks. If sensitive information is leaked, it could mean that company may lose a competitive edge or business contracts. While this information could be shared with other government agencies, it is not clear how this information will be kept secure, what information could be shared and for what purpose.

We are also very concerned that this type of data and information can be used against businesses in regard to future legislation, rules, and regulations.

We humbly ask that you hold this measure.

Mahalo again for this opportunity to testify.





# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the Senate Joint Committee on Energy, Economic Development,  
and Tourism & Committee on Labor and Technology  
Tuesday, February 7, 2023, at 1:00 P.M.  
Conference Room 229 & Videoconference**

**RE: SB 1285 Relating to Labor Data Collection**

Chair's DeCoite and Moriwaki, Vice Chair's Wakai and Lee, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **does not support** SB 1285, which Amends section 201-13.8, Hawaii Revised Statutes, to allow the Department of Business, Economic Development, and Tourism to collect and analyze employer information and data.

We appreciate and understand the intent of this bill to gather data and information to better understand the economy. We believe this bill is written too broadly and could be counterproductive for our business community. Under this bill, the state could ask companies for several different data points, all under the guise of "Employment" or "Employee" related that could go way beyond the typical information that would be reported for employment or employee. The Chamber is concerned that if this bill passes, certain types of data or information can be used against our business community and harm our overall economy with future rules and regulations.

The Chamber is also concerned about the lack of parameters in this bill on what type of data can be collected, specifically regarding sensitive information. We have seen the past few years that government and businesses around the world and even in Hawaii can be victims of cyber-attacks. If confidential data is leaked, it could mean harm to public health and public safety, legal troubles, and Hawaii businesses losing a competitive advantage in their industry. SB 1285 does not outline how the data will be kept secure, what information can be shared, and for what purposes.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.