



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

April 2, 2025

To: The Honorable David A. Tarnas, Chair,
The Honorable Mahina Poepoe, Vice Chair, and
Members of the House Committee on Judiciary & Hawaiian Affairs

Date: Wednesday, April 2, 2025
Time: 2:00 p.m.
Place: Conference Room 325, State Capitol

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

Re: S.B. 1454 S.D.1 H.D.1 RELATING TO THE WAGE AND HOUR LAW

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR strongly supports** this Governor's Package proposal. SB1454 SD1HD1 proposes to amend the Wage and Hour Law, Chapter 387, Hawaii Revised Statutes (HRS), by adding provisions to authorize the DLIR to issue an Order of Wage Payment Violation (OWPV) to an employer found to be in violation of wage and hour provisions; amend the definition of "wage" to include compensation for labor or services rendered by an employee, whether the amount is determined on a time, task, piece, commission, or other basis of calculation; and collect and deposit penalties into the labor law enforcement special fund.

II. CURRENT LAW

There is no provision for an OWPV under Chapter 387, HRS.

§388-9.5 through §388-10 authorizes the DLIR to issue an OWPV and assess penalties against an employer found to be in violation of the Payment of Wages and Other Compensation Law, Chapter 388, HRS.

III. COMMENTS ON THE SENATE BILL

The DLIR strongly supports this measure to streamline and standardize enforcement mechanisms between Chapter 387, HRS, Wage and Hour Law (minimum wage, overtime), and Chapter 388, HRS, Payment of Wages and Other Compensation Law (unpaid wages).

OWPVs are currently issued under the Payment of Wages and Other Compensation Law, Chapter 388, HRS. However, when the DLIR's investigation reveals the unpaid

wages includes minimum wage or overtime, the DLIR is precluded from issuing an OWPV as there is no provision for an OWPV under Chapter 387, HRS.

Accordingly, this bill amends Chapter 387, HRS, to add provisions for the issuance of an OWPV, including penalties, enforcement, and appeal procedures, when an employer is found to be in violation of wage and hour (minimum wage, overtime) provisions.



HAWAII WORKERS CENTER

(503) WORKERS ☎

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

Defending and Respecting the workers of
Hawaii'i

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April 1, 2025

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Hawaii State House of Representatives
Committee on Judiciary and Hawaiian Affairs
Rep. David A. Tarnas, Chair
Rep. Mahina Poepoe, Vice Chair

RE: STRONG SUPPORT for H.B. 1454 S.D.1 H.D. 1 Relating to the Wage & Hour Law

Dear Chair Rep. Tarnas, Vice Chair Rep. Poepoe, and members of the Committee on Judiciary and Hawaiian Affairs:

The Hawaii Workers Center (HWC) envisions a Hawaii in which all workers are empowered to exercise their right to organize for their social, economic and political well-being.

It is a resource of information, education, training and organizing for Hawaii's workers.

The HWC stands in strong support of H.B. 1454 S.D.1 H.D. 1 which requires the Department of Labor and Industrial Relations to issue an order of wage payment violation to employers found to be in violation of the State's Wage and Hour Law and establishes penalties, enforcement, and appeal procedures.

This bill is of particular interest to our organization as we continue to battle wage theft by organizing and providing "Know Your Workers Rights" education to low-wager, non-union workers predominantly from immigrant and migrant working class communities. We have been successful in working with state and federal agencies at the grassroots level to encourage more workers to report wage theft violations. However, this experience has shown us the limitations in the current system when employers refuse to do the right thing and pay their employees correctly. This bill seeks to address those limitations, especially when it deals with enforcement and holding employers accountable.

Thank you for your consideration and willingness to support this important measure.

Sincerely,

Sergio Alcubilla
Executive Director