

Honolulu, Hawaii

, 2024

FEB 08

RE: H.B. No. 2757
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Labor & Government Operations, to which was referred H.B. No. 2757 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require the Department of Labor and Industrial Relations to:

- (1) By January 1, 2026, establish a Family and Medical Leave Insurance Program and begin collecting payroll contributions to finance payment of benefits; and
- (2) By January 1, 2027, start receiving claims and paying benefits under the Program.

Your Committee received testimony in support of this measure from the Office of Wellness and Resilience in the Office of the Governor; one member of the Hawai'i County Council; AAUW of Hawai'i; Hawai'i Association of School Psychologists; Catholic Charities Hawai'i; Stonewall Caucus of the Democratic Party of Hawai'i; Pride at Work - Hawai'i; Hawai'i Public Health Association; Rainbow Family 808; Hawai'i Hunger Action Network; African American Lawyers Association of Hawai'i; We Are One, Inc.; Hawai'i Health & Harm Reduction Center; Hawai'i Family Caregiver Coalition; Hawai'i State Coalition Against Domestic Violence; Hawai'i Children's



Action Network Speaks!; Democratic Party of Hawai'i Education Caucus; Democratic Party of Hawai'i; Imua Alliance; A Better Balance; Democratic Party of Hawaii Labor Caucus; AARP Hawai'i; The American College of Obstetricians and Gynecologists; Breastfeeding Hawaii; Hawai'i State Democratic Women's Caucus; Hawai'i Alliance for Progressive Action; Hawaii Appleseed Center for Law & Economic Justice; Chamber of Sustainable Commerce; Mothering Justice; Our Revolution Hawaii; Hawaii State Teachers Association; Hawai'i Workers Center; and numerous individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations; NFIB, Hawaii Chapter; Hawaii Energy Marketers Association; Society for Human Resource Management - Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawai'i Restaurant Association; Tiki's Grill & Bar; and 604 Hospitality Group. Your Committee received comments on this measure from the Department of Budget and Finance; Hawaii Food Industry Association; Grassroot Institute of Hawaii; Family Values @ Work; and one individual.

Your Committee finds that Hawaii's working families are not adequately supported during times of caregiving and illness. While the federal Family and Medical Leave Act allows twelve weeks of unpaid leave to employees who have worked at a business that employs fifty or more employees, the majority of Hawaii's workforce cannot afford to take unpaid leave to care for a new child or attend to the needs of a family member with a serious health condition. This measure ensures that employees in Hawaii are provided family leave insurance benefits when they need to provide care for their families.

Your Committee has amended this measure by:

- (1) Changing the eligibility requirements for a covered individual to reflect similar requirements for individuals eligible to receive temporary disability benefits;
- (2) Including the State and counties under the definition of "employer";
- (3) Including organ donation and termination of pregnancy under the definition of "serious health condition";



- (4) Extending the start date by one year in which the Department of Labor and Industrial Relations has to establish a Family and Medical Leave Insurance Program and begin collecting payroll contributions to finance payment of benefits and start receiving claims and paying benefits under the Program;
- (5) Specifying that claims shall be paid to a covered individual within two weeks of the start of their family leave;
- (6) Authorizing claims to be filed up to forty-five days in advance of the family leave, if anticipation of the family leave is possible;
- (7) Adjusting the wage repayment benefit amounts;
- (8) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (9) 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 & Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2757, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2757, 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 & Government
Operations,



SCOT Z. MATSUMOTO, Chair



