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STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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February 25, 2013

To: The Honorable David Y. Ige, Chair, Michelle N. Kidani, Vice Chair and Members of the Senate Committee on Ways and Means

Date: Tuesday, February 26, 2013

Time: 10:05 a.m.

Place: Conference Room 211, State Capitol

From: Dwight Y. Takamine, Director Department of Labor and Industrial Relations (DLIR)

Re: S.B. No. 0332, S.D. 1 Relating to Wages

I. OVERVIEW OF PROPOSED LEGISLATION

SB332 SD1 proposes to provide employees with increased wage and employer information on employees pay statements and in the record keeping of employers.

The DLIR <u>supports</u> this measure that provides protection that is more substantial to employees in this State by requiring employers to provide employees with specific wage information on pay statements and to maintain accurate records of compensation.

II. CURRENT LAW

The Wage and Hour Law requires the employer to provide basic pay information on an individual's pay statement. The penalty provisions are set amounts.

III. COMMENTS ON THE SENATE BILL

The proposal would increase the information that is required to be provided on pay statements of employees, which would give greater clarity and transparency to the employee on what he or she is being paid, at what rates and for how many hours. This would also make it easier for the employee to budget his or her finances in this time of economic hardship when keeping track of each dollar earned is essential. Similarly, employers would be required to maintain accurate records of the same information provided to the employee.

Further, if passed, the proposal would enhance the investigatory and enforcement capabilities of the Wage Standards Division, which would enable the department to be more efficient and effective in assisting members of the public in the recovery of unpaid wages.