# S .B. NO. 1148

### JAN 2 4 2013

### A BILL FOR AN ACT

RELATING TO WAGES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to protect employees 2 in this State by requiring employers to provide employees with 3 specific wage information on pay statements. Section 387-6, Hawaii Revised Statutes, is 4 SECTION 2. 5 amended as follows: 6 By amending subsection (a) to read as follows: 7 "(a) Every employer shall keep in or about the premises 8 wherein any employee is employed a contemporaneous, true, and 9 accurate record of [the]: 10 The name, address, and occupation of each [such] (1)11 employee[, of the]; (2) 12 The amount paid each pay period to each [such] 13 employee[, of the]; 14 The hours worked each day and each workweek by each (3) 15 [such] employee[, and of such]; The rate or rates of pay of each employee and basis 16 (4)thereof, whether paid by the hour, shift, day, week, 17 18 salary, piece, commission, or other basis; gross

## S.B. NO. 1148

```
1
               wages; deductions; allowances, if any, claimed as part
 2
               of the minimum wage; and net wages; and
               Any other information and for [such] the periods of
 3
          (5)
 4
               time as the director [of labor and industrial
 5
               relations] may by [regulation] rule prescribe.
 6
          The director or the director's authorized representative
 7
     shall for the purpose of examination have access to and the
 8
    right to copy [from such] the records. Every employer shall
 9
    furnish to the director or the director's authorized
    representative [such] any information relating to the employment
· 10
11
    of workers and in [such] any manner as the director may
12
    prescribe."
13
          (2) By amending subsection (c) to read as follows:
14
          "(c) Every employer shall furnish each employee at every
15
    pay period a legible printed, typewritten, or handwritten
     [notice] record showing the [employee's:] following:
16
17
          (1)
               The name of the employee;
18
          (2)
               The name of the employer;
19
          (3) The address and telephone number of the employer;
20
          [<del>(1) Total</del>] (4) The employee's total hours worked;
21
          [<del>(2) Overtime</del>] (5) The employee's regular and overtime
22
               hours;
```

## S.B. NO. 1148

```
[<del>(3)</del> Straight-time] (6) The employee's straight-time
1
2
               compensation;
          [<del>(4) Overtime</del>] (7) The employee's overtime compensation;
3
          [\frac{(5)}{\text{Other}}] (8) Any other compensation [\div], including
 4
5
               allowances, if any, claimed as part of the minimum
6
               wage;
          [<del>(6) Total</del>] (9) The employee's total gross compensation;
7
          [<del>(7)</del> Amount] (10) The amount and purpose of each
8
9
               deduction;
10
          [<del>(8) Total</del>] (11) The employee's total net compensation;
11
          [<del>(9)</del> Date] (12) The date of payment; [and
12
        (10) Pay (13) The pay period covered; and
13
        (14)
               The rate or rates of pay and basis thereof, whether
14
               paid by the hour, shift, day, week, salary, piece,
15
               commission, or other basis, including overtime rate or
               rates of pay. For employees paid a piece rate, the
16
17
             record shall indicate the applicable piece rate or
18
               rates of pay and the number of pieces completed at
19
               each piece rate;
20
    provided that in lieu of the printed, typewritten, or
21
    handwritten [notice] record required by this subsection and upon
22
    receipt of written authorization from the employee, the employer
```

# <u>s</u>.B. NO. <u>//48</u>

1	may provide an electronic [notice] record that may be
2	electronically accessed by the employee."
3	SECTION 3. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 4. This Act, upon its approval, shall take effect
6	on January 1, 2014.
7	
8	INTRODUCED BY: Some mendo Ki
9	BY REQUEST
10	

# <u>s</u>.B. NO. <u>148</u>

### Report Title:

Wages; Payment of Compensation

### Description:

Requires employers to provide employees with specific wage and employer information in employees' pay records; requires employers to maintain accurate and timely wage recordkeeping. Effective January 1, 2014.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

## JUSTIFICATION SHEET SB. NO. //48

DEPARTMENT:

Labor and Industrial Relations

TITLE:

A BILL FOR AN ACT RELATING TO WAGES.

PURPOSE:

To protect employees in this State by requiring employers to provide employees with specific wage information on pay statements and maintain accurate records of compensation.

-

MEANS:

Amend section 387-6(a) and (c), Hawaii Revised Statutes.

JUSTIFICATION:

The Wage and Hour Law requires the employer to provide basic pay information on an individual's pay statement. This amendment 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. Similarly, employers would be required to maintain accurate records of the same information provided to the employee. This would also make it easier for the employee to budget his or her finances in this time of economic hardship where keeping track of each dollar earned is essential. Further, these amendments would enhance the investigatory and enforcement capabilities of the Wage Standards Division.

Impact on the public: The public will be able to better understand their pay for hours worked, be better able to budget for their expenses, and be better informed to resolve with the employer possible discrepancies with the wages received.

Impact on the department and other agencies:
Provides the Wage Standards Division with
more wage information to be more efficient

SB. NO. 1148

and effective in assisting members of the public in the recovery of unpaid wages.

GENERAL FUND:

None.

OTHER FUNDS:

None.

PPBS PROGRAM

DESIGNATION:

LBR 152.

OTHER AFFECTED

AGENCIES:

None.

EFFECTIVE DATE:

January 1, 2014.