STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 4 2016

RE: S.B. No. 2313 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2313, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EQUAL PAY,"

begs leave to report as follows:

The purpose and intent of this measure is to encourage equal pay for equal work.

Specifically, this measure:

- Requires employers to provide equal pay to employees that perform substantially similar work;
- (2) Clarifies that a wage differential may be permissible where an employer demonstrates that the wage differential is based upon:
 - (A) A bona fide seniority system based upon a collective bargaining agreement, civil service requirement, or formal employer policy that treats employees who do substantially similar work equally;
 - (B) A bona fide nondiscriminatory merit system;
 - (C) Bona fide occupational qualifications that do not have a disparate impact based on sex and that are necessary to the position; or

SB2313 SD2 SSCR LRB 16-1670-1.doc

STAND. COM. REP. NO. 2104

- (D) A bona fide factor other than sex that is not based on a sex-based differential in compensation, is job-related to the position, and is consistent with a legitimate business necessity; and
- (3) Prohibits employers from barring employees from disclosing their own wages or discussing and inquiring about the wages of other employees.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Hawaii State Commission on the Status of Women, Hawaii Civil Rights Commission, and Planned Parenthood Votes Northwest and Hawaii.

Your Committee finds that women in Hawaii are paid roughly eighty-six cents for every dollar paid to a man for substantially similar work, and at the current rate, the wage gap Hawaii will not close until the year 2058. Your Committee further finds that pay inequity is a contributing factor to the disproportionate number of women in poverty. Your Committee believes that this measure will help to accelerate the closure of the wage gap and increase pay for women.

Your Committee has amended this measure by adding provisions that prohibit a prospective employer from:

- Screening a job applicant based on wage or salary history; and
- (2) Requesting the wage or salary history of a job applicant from any current or former employer of the job applicant.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2313, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2313, S.D. 2.



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STAND. COM. REP. NO. 2164 Page 3

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

JILL N. Chair TC



The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral: Date:				
5B 2313, SDI	30L, WAM 3//16			16	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)		/			
DELA CRUZ, Donovan M. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					
GALUTERIA, Brickwood					
HARIMOTO, Breene					
INOUYE, Lorraine R.					
RIVIERE, Gil					
TANIGUCHI, Brian T.					
WAKAI, Glenn					
SLOM, Sam					
TOTAL		0			γ
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes