STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 2 2017

S.B. No. 675 RE:

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 675 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that Hawaii's Anti-Discrimination Law does not prohibit or prevent an employer from refusing to hire or refer or discharging an employee for reasons unrelated to discriminatory practices, unequal pay, criminal conviction records, and credit history.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii, Society for Human Resource Management-Hawaii Chapter, and one individual. Your Committee received testimony in opposition to this measure from the Hawai'i Civil Rights Commission; Hawaii State Commission on the Status of Women; LGBT Caucus of the Democratic Party of Hawai'i; ILWU Local 142; Fujiwara & Rosenbaum, LLC; and one individual.

Your Committee finds that the employment practices laws under sections 378-2, 378-2.3, 378-2.5, and 378-2.7, Hawaii Revised Statutes, relate respectively to discriminatory practices, unequal pay, criminal conviction records, and credit history. Committee further finds that these sections prohibit employment discrimination against individuals based upon protected categories, but were not intended to prevent employers from taking employment action for reasons unrelated to the categories protected in those sections.

Your Committee is concerned that this measure, as introduced, may result in unintended consequences and believes that discussion should continue as this measure moves forward to ensure the amendments to the Hawaii Revised Statutes align with the measure's intent.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that Hawaii's Anti-Discrimination Law does not prohibit or prevent an employer from refusing to hire or refer or discharging an employee pursuant to an employee agreement policy that is applied in a nondiscriminatory fashion; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 675, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 675, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,



The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:* SB675	Committee Referral:		Da	Date: 2/27/17	
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
KEITH-AGARAN, Gilbert S.C. (C)		/			·
RHOADS, Karl (VC)					
GABBARD, Mike					
KIM, Donna Mercado		•			
THIELEN, Laura H.					
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TOTAL		3		0	1
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