JAN 2 4 2018

A BILL FOR AN ACT

RELATING TO FAMILY LEAVE.

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

| SECTION 1. The legislature finds that Hawaii's working |
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| families are not adequately supported during times of caregiving |
| and illness. While the Federal Family and Medical Leave Act of |
| 1993 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 child or an elderly family member with a |
| serious health condition. Hawaii law offers only a modest four- |
| week extension of unpaid leave and this applies only to Hawaii's |
| few large employers with more than one hundred employees. |
| The legislature further finds that only eleven per cent of |
| workers in the United States have access to paid family leave |
| through their employers. Women, as primary caregivers of |
| infants, children, and elderly parents, are affected |
| disproportionately by the unavailability of paid family and |
| medical leave. In Hawaii, 247,000 people serve as family |
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caregivers. Hawaii has the fastest growing population of

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- 1 individuals over the age of sixty-five in the nation, and that
- 2 number is expected to grow by eighty-one per cent by the year
- 3 2030. Of those who would benefit from paid family leave, nearly
- 4 one-third would take those leave benefits to care for an ill
- 5 spouse or elderly parent. In short, most workers, at some
- 6 point, will need to take time off to care for an ill family
- 7 member, but very few can afford it.
- 8 The purpose of this Act is to lay the groundwork to
- 9 implement a paid family leave framework of laws and policies so
- 10 that all employees may access leave benefits during times when
- 11 they need to provide care for a family member.
- 12 SECTION 2. Chapter 398, Hawaii Revised Statutes, is
- 13 amended by adding a new section to part I to be appropriately
- 14 designated and to read as follows:
- 15 "§398- Paid family leave special fund. (a) There is
- 16 established a paid family leave special fund into which shall be
- 17 deposited the following moneys:
- 18 (1) Appropriations by the legislature to the special fund;
- **19** and
- 20 (2) Gifts, donations, and grants from public agencies and
- 21 private persons.



- 1 All interest earned or accrued on moneys deposited in the fund
- 2 shall become part of the fund. The fund shall be administered
- 3 by the department; provided that the department may contract
- 4 with a public or private agency to provide the day-to-day
- 5 management of the fund.
- 6 (b) Subject to legislative authorization, the department
- 7 may expend moneys from the fund:
- 8 (1) For permanent and temporary staff positions;
- 9 (2) To cover administrative and operational costs of
- 10 implementing any legislative requirement to establish
- 11 paid family leave for all workers in the State."
- 12 SECTION 3. (a) By January 1, 2023, the department of
- 13 labor and industrial relations shall adopt rules, pursuant to
- 14 chapter 91, Hawaii Revised Statutes, that establish paid family
- 15 leave for all workers in the State.
- 16 (b) The department may adopt interim rules, which shall be
- 17 exempt from chapter 91, Hawaii Revised Statutes, to effectuate
- 18 the purposes of this Act; provided that the interim rules shall
- 19 remain in effect until January 1, 2023, or until rules are
- 20 adopted pursuant to subsection (a), whichever occurs sooner.

| 1 | SECTION 4. (a) There is established a paid family leave | | | |
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| 2 | implementation task force within the department of labor and | | | |
| 3 | industrial r | elations for administrative purposes only to assist | | |
| 4 | the department in establishing paid family leave for all worker | | | |
| 5 | in the State | , pursuant to this Act. | | |
| 6 | (b) Th | e paid family leave implementation task force shall | | |
| 7 | comprise the | following individuals or their designees: | | |
| 8 | (1) Th | e director of labor and industrial relations, who | | |
| 9 | sh | all serve as the chairperson; | | |
| 10 | (2) Th | e director of human resources development; | | |
| 11 | (3) Th | e comptroller; | | |
| 12 | (4) Th | e insurance commissioner; | | |
| 13 | (5) Th | e chairperson of the senate committee on labor, or a | | |
| 14 | su | ccessor committee; and | | |
| 15 | (6) Th | e chairperson of the house of representatives | | |
| 16 | CO | mmittee on labor and public employment, or a | | |
| 17 | su | ccessor committee with jurisdiction over labor. | | |
| 18 | (c) Th | e following persons shall be appointed as members of | | |
| 19 | the task for | ce: | | |
| 20 | (1) On | e representative of The Chamber of Commerce Hawaii, | | |
| 21 | to | be appointed by the governor; | | |

| 1 | (2) | One representative of the insurance industry, to be |
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| 2 | | appointed by the president of the senate; |
| 3 | (3) | One representative of the insurance industry, to be |
| 4 | | appointed by the speaker of the house of |
| 5 | | representatives; |
| 6 | (4) | One representative of a labor union in the State, to |
| 7 | | be appointed by the president of the senate; and |
| 8 | (5) | One representative of a labor union in the State, to |
| 9 | | be appointed by the speaker of the house of |
| 10 | | representatives. |
| 11 | (d) | The paid family leave implementation task force shall |
| 12 | develop a | n analysis and implementation plan for providing |
| 13 | workers w | ith family leave insurance benefits during times when a |
| 14 | worker is | required to take leave to care for a family member. |
| 15 | (e) | No later than twenty days prior to the regular session |
| 16 | of 2019, | the paid family leave implementation task force shall |
| 17 | submit a | report to the legislature that includes: |
| 18 | (1) | A comparative analysis of potential paid family leave |
| 19 | | models, including a breakdown of the costs for |
| 20 | | implementation and sustaining each model; |
| 21 | (2) | A five-year budget for establishing paid family leave; |

| 1 | (3) | A timeline for implementing paid family leave, |
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| 2 | | including benchmarks and deliverables; |
| 3 | (4) | A schedule for ongoing audits; |
| 4 | (5) | Findings and other recommendations, including |
| 5 | | recommendations for ongoing regulation and additional |
| 6 | | funding resources; and |
| 7 | (6) | Proposed legislation, if any. |
| 8 | (f) | No later than twenty days prior to the regular |
| 9 | sessions | of 2020, 2021, 2022, 2023, and 2024 the paid family |
| 10 | leave imp | elementation task force shall submit a report to the |
| 11 | legislatu | re that includes: |
| 12 | (1) | Updates to the analysis and implementation plan, as |
| 13 | | necessary; |
| 14 | (2) | The progress of the department of labor and industrial |
| 15 | | relations in meeting its obligation required by this |
| 16 | • | Act; |
| 17 | (3) | Additional findings and recommendations, if any; and |
| 18 | (4) | Proposed legislation, if any. |
| 19 | (g) | The task force shall cease to exist on January 1, |
| 20 | 2024. | |

1 SECTION 5. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$1,500,000 or so much 3 thereof as may be necessary for fiscal year 2018-2019 to be 4 deposited into the paid family leave special fund. 5 SECTION 6. There is appropriated out of the paid family 6 leave special fund the sum of \$1,500,000 or so much thereof as 7 may be necessary for fiscal year 2018-2019 to fund one full-time 8 equivalent (1.0 FTE) program manager to support the paid family 9 leave implementation task force and the department of labor and **10** industrial relations in establishing paid family leave for all 11 workers by January 1, 2023. 12 The sum appropriated shall be expended by the department of 13 labor and industrial relations for the purposes of this Act. 14 SECTION 7. This Act shall take effect upon its approval; 15 provided that sections 5 and 6 shall take effect on July 1, 16 2018.

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Report Title:

Paid Family Leave; DLIR; Insurance; Task Force; Report; Appropriation

Description:

Requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by 1/1/2023. Authorizes the department to adopt interim rules. Establishes the paid family leave implementation task force to assist the department and report to the Legislature. Establishes a paid family leave special fund. Appropriates moneys.

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