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# A BILL FOR AN ACT

RELATING TO FAMILY LEAVE.

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

1           SECTION 1. The legislature finds that Hawaii's working  
2 families are not adequately supported during times of caregiving  
3 and illness. While the Federal Family and Medical Leave Act of  
4 1993 allows twelve weeks of unpaid leave to employees who have  
5 worked at a business that employs fifty or more employees, the  
6 majority of Hawaii's workforce cannot afford to take unpaid  
7 leave to care for a child or an elderly family member with a  
8 serious health condition. Hawaii law offers only a modest four-  
9 week extension of unpaid leave and this applies only to Hawaii's  
10 few large employers with more than one hundred employees.

11           The legislature further finds that only eleven per cent of  
12 workers in the United States have access to paid family leave  
13 through their employers. Women, as primary caregivers of  
14 infants, children, and elderly parents, are affected  
15 disproportionately by the unavailability of paid family and  
16 medical leave. In Hawaii, 247,000 people serve as family  
17 caregivers. Hawaii has the fastest growing population of



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 establish paid family leave  
9 and lay the groundwork to implement a paid family leave  
10 framework of laws and policies so that all employees can access  
11 leave benefits during times when they need to provide care for a  
12 family member.

13 SECTION 2. Chapter 398, Hawaii Revised Statutes, is  
14 amended by adding a new section to part I to be appropriately  
15 designated and to read as follows:

16 "§398- Paid family leave special fund. (a) There is  
17 established a paid family leave special fund into which shall be  
18 deposited the following moneys:

19 (1) Appropriations by the legislature to the special fund;  
20 and



1       (2) Gifts, donations, and grants from public agencies and  
2       private persons.

3 All interest earned or accrued on moneys deposited in the fund  
4 shall become part of the fund. The fund shall be administered  
5 by the department; provided that the department may contract  
6 with a public or private agency to provide the day-to-day  
7 management of the fund.

8       (b) Subject to legislative authorization, the department  
9 may expend moneys from the fund:

10       (1) For permanent and temporary staff positions; and

11       (2) To cover administrative and operational costs of  
12 implementing any legislative requirement to establish  
13 paid family leave for all workers in the State."

14       SECTION 3. (a) By January 1, 2023, the department of  
15 labor and industrial relations shall adopt rules, pursuant to  
16 chapter 91, Hawaii Revised Statutes, that establish and codify  
17 paid family leave for all workers in the State.

18       (b) The department may adopt interim rules, which shall be  
19 exempt from chapter 91, Hawaii Revised Statutes, to effectuate  
20 the purposes of this Act; provided that the interim rules shall



1 remain in effect until January 1, 2023, or until rules are  
2 adopted pursuant to subsection (a), whichever occurs sooner.

3 SECTION 4. (a) There is established a paid family leave  
4 implementation board within the department of labor and  
5 industrial relations for administrative purposes only to assist  
6 the department in establishing paid family leave for all workers  
7 in the State, pursuant to this Act.

8 (b) The paid family leave implementation board shall  
9 comprise the following individuals or their designees:

- 10 (1) The director of labor and industrial relations, who  
11 shall serve as the chairperson;
- 12 (2) The director of human resources development;
- 13 (3) The comptroller;
- 14 (4) The insurance commissioner;
- 15 (5) The chairperson of the senate committee on labor, or a  
16 successor committee; and
- 17 (6) The chairperson of the house of representatives  
18 committee on labor and public employment, or a  
19 successor committee with jurisdiction over labor.

20 (c) The following persons shall be appointed as members of  
21 the board:



- 1 (1) One representative of a business employing one hundred  
2 or more employees, to be appointed by the governor;
- 3 (2) One representative of a business employing between  
4 fifty and one hundred employees, to be appointed by  
5 the speaker of the house of representatives;
- 6 (3) One representative of a business employing fifty or  
7 fewer employees, to be appointed by the president of  
8 the senate;
- 9 (4) One representative of the insurance industry, to be  
10 appointed by the president of the senate;
- 11 (5) One representative of the insurance industry, to be  
12 appointed by the speaker of the house of  
13 representatives;
- 14 (6) One representative of a labor union in the State, to  
15 be appointed by the president of the senate;
- 16 (7) One representative of a labor union in the State, to  
17 be appointed by the speaker of the house of  
18 representatives;
- 19 (8) One member representing paid family leave advocates,  
20 to be appointed by the president of the senate; and



1           (9) One member representing paid family leave advocates,  
2                   to be appointed by the speaker of the house of  
3                   representatives.

4           (d) The paid family leave implementation board shall  
5   develop an analysis and implementation plan for providing  
6   workers with family leave insurance benefits during times when a  
7   worker is required to take leave to care for a family member.

8           (e) All executive branch departments and agencies shall  
9   participate and engage in data-sharing agreements for the  
10   purposes of this Act to commence no later than twenty days prior  
11   to the convening of the regular session of 2020.

12           (f) No later than twenty days prior to the regular session  
13   of 2019, the paid family leave implementation board shall submit  
14   a report to the legislature that includes:

15           (1) A comparative analysis of potential paid family leave  
16               models to cover all workers, including but not limited  
17               to social insurance and temporary disability insurance  
18               expansion, and including a breakdown of the costs for  
19               implementing and sustaining each model;

20           (2) Models that shall consider progressive wage  
21               replacement and job protection;



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

15 SECTION 8. This Act shall take effect upon its approval;  
16 provided that sections 5 and 6 shall take effect on July 1,  
17 2018.

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**Report Title:**

Paid Family Leave; DLIR; Insurance; Board; 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 board to assist the department and report to the Legislature. Establishes a paid family leave special fund. Appropriates funds. (Proposed SD1)

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

