STAND. COM. REP. NO. 2361

Honolulu, Hawaii

FEB 1 5 2018

S.B. No. 3023 RE:

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Labor, to which was referred S.B. No. 3023 entitled:

"A BILL FOR AN ACT RELATING TO MINIMUM WAGE,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal provisions that allow individuals whose earning capacity is impaired by old age or physical or mental deficiency or injury to receive wages lower than the applicable minimum wage.

Your Committee received testimony in support of this measure from the Hawai'i Appleseed Center for Law & Economic Justice, IMUAlliance, Pono Hawai'i Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kupuna Caucus of the Democratic Party of Hawaii, Stress Free Souls, and forty-one individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Goodwill Hawaii, Hawaii Disability Rights Center, and Self Advocacy Advisory Council.

Your Committee finds that the existing Hawaii special minimum wage law allows employers to pay workers with disabilities subminimum wages in certain circumstances. Legislation that allows subminimum wages for certain individuals with disabilities was enacted under federal law in 1938, at a time when there were limited opportunities, few services, and even fewer technologies

2018-1264 SSCR SMA-1.doc  to enable workers with disabilities to engage in the workplace. Your Committee finds that with the high-cost of living in Hawaii and the availability and advancement of assistive technologies that can aid all workers, it is necessary that the State's policies are supportive and inclusive to allow all workers with disabilities to reach their full vocational and socioeconomic potential.

Your Committee has heard the testimony from proponents and also those with concerns about possible unintended consequences of this measure. As such, your Committee recommends that, as this measure moves through the legislative process, your Committee on Ways and Means consider amendments proposed by the Department of Labor and Industrial Relations and further recommends that proponents of this measure and those who testified with concerns discuss possible amendments and improvements for submission to the Legislature.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3023, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3023, S.D. 1, and be referred to your Committee on Ways and Means.

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

JILL N. TOKUDA, Chair

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Labor LBR

Bill / Resolution No.:*	Committee Referral:			Date:		
SB3023	LBR, WAM			2/6/18		
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 (W	'R)	Nay	Excused
TOKUDA, Jill N. (C)						
ENGLISH, J. Kalani (VC)						V
CHANG, Stanley						
IHARA, Jr., Les		V				,
TANIGUCHI, Brian T.						V
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TOTAL		み	Û	)	0	2
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						