HOUSE CONCURRENT RESOLUTION

REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO EXPLORE THE PROVISION OF PAID FAMILY LEAVE FOR EXECUTIVE DEPARTMENTS THAT REPORT DIRECTLY TO THE GOVERNOR.

WHEREAS, paid family leave refers to partially or fully compensated time away from work for specific and generally significant family caregiving needs, such as the birth of a child or serious illness of a close family member; and

WHEREAS, the 2018 Aloha United Way ALICE (Asset Limited, Income Constrained, Employed) Study found that almost half of the families in Hawaii are living paycheck to paycheck; and

WHEREAS, although the federal Family and Medical Leave Act of 1993 allows for 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 for family caregiving needs, such as to care for a child or attend to the needs of a family member with a serious health condition; and

WHEREAS, Hawaii law, which offers a four-week extension of unpaid leave, is available only to employees of large employers having one hundred or more employees; and

WHEREAS, eight states, including California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island, and Washington, and the District of Columbia have enacted paid family leave laws; and

WHEREAS, in accordance with Act 109, Session Laws of Hawaii 2018, the Legislative Reference Bureau submitted to the Legislature a report that estimated an annual cost of \$2,624,000

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for a social insurance model exclusively through the State and ongoing annual costs of \$1,103,000 for a governance only model; and

WHEREAS, the Legislative Reference Bureau reported that the scope of coverage provided by each state varies significantly, from eligibility requirements, to qualifying reasons for leave, waiting periods, leave durations, benefit levels, and benefit calculations, and whether there is job protection; and

WHEREAS, the report also stated that the definitions of what is covered and how, and the mechanics of calculating benefit payment can be cumbersome; and

 WHEREAS, the Department of Labor and Industrial Relations has identified dissimilar cost estimates due to differences in estimates for claims administrative staffing, estimated information technology staffing, estimated program support staffing, and information technology costs for software, storage and retrieval of data, and maintenance costs; and

 WHEREAS, the Department of Labor and Industrial Relations has testified it would require \$6,540,000 to implement a social insurance model and \$2,073,000 to implement a governance model for Executive Branch employees only; and

WHEREAS, employers and industry professionals have voiced concern over these differences and areas of confusion as the differences and areas make it not only challenging for employers to communicate and educate their employees, but also to understand and determine how paid leave laws coordinate with other benefit plans, such as sick leave, disability, and workers' compensation; and

WHEREAS, the Hawaii Temporary Disability Insurance Law is unique compared to the other five states that have temporary disability insurance laws because an employer may adopt from multiple methods of providing the temporary disability insurance, which includes self-insured plans that differ from statutory benefits and have equivalent or better-than-statutory plan benefits; and

WHEREAS, self-insured temporary disability insurance plans differ in the weekly benefit amount, duration of payments, and whether or not a waiting period is required; and

WHEREAS, the National Defense Authorization Act for fiscal year 2020 includes a provision for twelve weeks of paid parental leave in connection with the birth, adoption, or foster care placement of a child for employees covered by federal Family and Medical Leave Act provisions applicable to federal civilian employees; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2020, the Senate concurring, that the Director of Labor and Industrial Relations is requested to convene a working group to explore the provision of paid family leave for executive departments that report directly to the Governor, as a first step that could be scaled up to cover the rest of the workforce; and

BE IT FURTHER RESOLVED that any recommendations made by the working group achieve the following objectives:

1) Reporting in detail on the current relationship between the Hawaii Temporary Disability Insurance Law and the federal Family and Medical Leave Act and Hawaii Family Leave Law;

(2) Identifying the issues that could arise for the implementation of a pilot project for Paid Family Leave for the Executive Branch;

(3) Determining the potential impacts of enacting a law to provide paid family leave for the Executive Branch, including the fiscal and administrative impact on the State, and the impacts on public sector collective bargaining and civil service law; and

 (4) Identifying the opportunities and challenges of scaling up a pilot project for the Executive Branch for all of Hawaii's workforce; and

1 2	BE I to compri	T FURTHER RESOLVED that the working group is requested se of:
3 4 5 6	(1)	The Director of Labor and Industrial Relations, or the Director's designee, who shall serve as the Chairperson of the working group;
7 8 9	(2)	The Director of Human Resources Development, or the Director's designee;
10 11 12	(3)	The Director of Finance, or the Director's designee;
13 14 15	(4)	The Attorney General, or the Attorney General's designee;
l6 l7	(5)	The Director of Human Services, or the Director's designee;
18 19 20	(6)	The Comptroller, or the Comptroller's designee;
21 22 23	(7)	The Chief Negotiator of the Office of Collective Bargaining, or the Chief Negotiator's designee;
24 25 26	(8)	One representative of a retiree association, to be appointed by the President of the Senate;
27 28 29	(9)	One representative of a children's advocacy organization, to be appointed by the Speaker of the House of Representatives;
31 32 33	(10)	One representative of a women's advocacy organization to be appointed by the Governor;
34 35 36 37	(11)	Two representatives from public sector labor organizations, to be appointed by the President of the Senate; and
37 38 39 40	(12)	Two representatives from public sector labor organizations, to be appointed by the Speaker of the House of Representatives; and

BE IT FURTHER RESOLVED that the working group may invite individuals from additional organizations or agencies to participate in the working group; and

BE IT FURTHER RESOLVED that the working group is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2021; and

 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Director of Labor and Industrial Relations, Director of Human Resources Development, Director of Finance, Attorney General, Director of Human Services, Comptroller, and Chief Negotiator.

OFFERED BY:

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