STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 1841

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1841 entitled:

"A BILL FOR AN ACT RELATING TO FAIR EMPLOYMENT PRACTICES," begs leave to report as follows:

The purpose of this measure is to prohibit noncompete agreements for low wage workers.

Your Committee received testimony in support of this measure from the Hawaii Appleseed Center for Law and Economic Justice. Your Committee received testimony in opposition to this measure from Retail Merchants of Hawaii.

Your Committee finds that noncompete agreements can reduce job mobility, stifle innovation, and even lead to unemployment if a worker is unable to find a new job that does not violate a former employer's noncompete agreement, especially for low-income workers where the employee is unlikely to have obtained trade secrets or advanced skills training.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1841, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1841, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

AARON LUIG JOHANSON, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature HSCR 457-20

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: 1841 Committee Referral: LAB FIN Date: 2-11-20				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	/			
2. ELI, Stacelynn K.M. (VC)				
3. ICHIYAMA, Linda				and Malacenterings
4. KITAGAWA, Lisa				
5. McKELVEY, Angus L.K.		S. Alberto, Marcha, att a Alberto danis, aurasian se policid de la Triberto (1997) del la Septe de		and the first and the second state of the seco
6. QUINLAN, Sean				
7. YAMASHITA, Kyle T.				
7. 17. 17. 17. 17. 17. 17. 17. 17. 17. 1				
8. MATSUMOTO, Lauren				and the second s
TOTAL (8)	7			l
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Attayyoffml.				
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