STAND. COM. REP. NO. 993

Honolulu, Hawaii

MAR 0 1 2019

RE: S.B. No. 1048

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1048, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEXUAL HARASSMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Make unenforceable confidentiality clauses in employment contracts when an act of sexual harassment is claimed by an employee, except as otherwise provided by federal law;
- (2) Ban mandatory arbitration in agreements as to sexual harassment claims beginning July 1, 2019, except as otherwise provided by federal law; and
- (3) Make mandatory confidentiality claims in an arbitration agreement unenforceable as to sexual harassment claims, except as otherwise provided by federal law.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, LGBT Caucus of the Democratic Party of Hawaii, AAUW of Hawaii, Planned Parenthood Votes Northwest and Hawaii, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Women Lawyers, Hawaii Women's Coalition, and one individual.

Your Committee finds that confidentiality clauses in employment contracts that apply to sexual harassment claims and mandatory arbitration agreements requiring arbitration of sexual harassment claims allow sexual harassment to be kept a secret and off the record. Your Committee further finds that these clauses in agreements shield harassers from liability for their actions and limit the ability of the victims of sexual harassment to effectively pursue legal remedies. This measure will make mandatory arbitration agreements and confidentiality agreements unenforceable as to sexual harassment claims.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1048, S.D. 1, and recommends that it pass Third Reading.

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

KARL RHOADS, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 1048,501	LCA,JDC 3		<u>2</u>	2/22/19	
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 (WR)	Nay	Excused
RHOADS, Karl (C)		V/			
WAKAI, Glenn (VC)					
GABBARD, Mike		V/			
KIM, Donna Mercado			<u></u>		
FEVELLA, Kurt		$\overline{}$			
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TOTAL		5	0	0	1
Recommendation:	/		<u> </u>		
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Sterk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes