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February 25, 2020

To: The Honorable Chris Lee, Chair,

The Honorable Joy A. San Buenaventura, Vice Chair, and

Members of the House Committee on Judiciary

Date: Tuesday, February 25, 2020

Time: 2:00 p.m.

Place: Conference Room 325, State Capitol

From: Scott T. Murakami, Director

Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2273 H.D. 1 RELATING TO WAGES

I. OVERVIEW OF PROPOSED LEGISLATION

HB2273 HD1 proposes to amend sections 387-12 and 388-10(b), Hawaii Revised Statutes (HRS), by increasing the penalty for violation of wage laws to a class C felony.

DLIR <u>supports</u> this measure and suggests amendments.

II. CURRENT LAW

Section 387-12, HRS, provides for a fine of \$50 to \$500, or imprisonment for up to one year or both fine and imprisonment, to any employer, employer's agent, or any officer or agent of a corporation who agrees to or pays an employee less wages than the employee is entitled to under the Wage and Hour Law.

Section 388-10(b), HRS, provides for a fine of \$100 to \$10,000, or imprisonment for up to one year or both fine and imprisonment, to any employer or any officer of a corporation who fails to pay an employee's wages in accordance with the Payment of Wages Law.

III. COMMENTS ON THE HOUSE BILL

The DLIR supports the intent of increasing penalties for violation of wage laws. As drafted, the measure would require the Attorney General's Office to charge those that

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violate the Wage and Hour and Payment of Wages Laws. The DLIR respectfully requests that monetary fines range of \$500 to \$10,000 be included as penalties so as to conform with the increased criminal penalty and to allow the Department to continue to effectively enforce these important laws.

<u>HB-2273-HD-1</u> Submitted on: 2/24/2020 1:33:45 AM

Testimony for JUD on 2/25/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Gerard Silva	Individual	Oppose	No	

Comments: