A BILL FOR AN ACT

RELATING TO EMPLOYMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The Hawaii Revised Statutes is amended by
 adding a new chapter to be appropriately designated and to read

3 as follows:

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4 "CHAPTER

5 S -1 Findings and purpose. The SARS-CoV-2 pandemic

6 caused widespread economic dislocation in the State due to

7 interruptions of normal enterprise activity through voluntary

8 and government-ordered cutbacks and closures. Hundreds of

9 thousands of workers in Hawaii were unable to continue in their

occupations during this time, particularly in our dominant

11 hospitality industry. Although many received income from public

12 and private sources to help them through this crisis and prevent

13 widespread destitution, these measures have been only temporary.

14 What matters most for the recovery of workers and their

15 families, and for the State's economy, is that they get back to

16 work as they were before the crisis hit. Hawaii hospitality-

17 industry employers are required to bring back the same workers

- 1 employed before the pandemic, as their enterprises resume
- 2 operation and restore their workforces as they are able. Some
- 3 enterprises have been transferred to new ownership or relocated
- 4 after employees were laid off. These changes should not defeat
- 5 the right of employees to return to their former work.
- 6 § -2 Definitions. As used in this chapter, unless the
- 7 context otherwise requires:
- 8 "Compensation" means an employee's average weekly earnings
- 9 for the twelve-month period immediately preceding the employee's
- 10 last day of active employment with an employer, including wages
- 11 or salary, payments to an employee while on vacation or on
- 12 leave, allocated or declared tip income, bonuses or commissions,
- 13 contributions or premiums paid by the employer for fringe
- 14 benefits, overtime or other premium payments, and allowances for
- 15 expenses, uniforms, travel or education.
- 16 "Director" means the director of labor and industrial
- 17 relations.
- 18 "Employer" means any person, including a corporate officer
- 19 or executive, who directly or indirectly or through an agent or
- 20 any other person, including through the services of a temporary
- 21 service or staffing agency or similar entity, conducts an

- 1 enterprise and employs or exercises control over the wages,
- 2 hours, or working conditions of any employee.
- 3 "Employment site" means the principal physical place where
- 4 a laid-off employee performed the predominance of the worker's
- 5 duties prior to being laid off.
- 6 "Enterprise" means any hotel, apartment hotel, motel,
- 7 restaurant, institutional food service, or event center where
- 8 food is provided, in the State that employs five or more
- 9 employees.
- "Hotel" means any hotel, apartment hotel, or motel.
- "Laid-off employee" means any employee who was employed by
- 12 the employer for six months or more in the twelve months
- 13 preceding the employee's most recent separation from active
- 14 service and the separation was due to government shutdown
- 15 orders, lack of business, a reduction in force or other
- 16 economic, non-disciplinary reason.
- "Length of service" means the total of all periods of time
- 18 during which an employee has been in active service, including
- 19 periods of time when the employee was on leave or on vacation.

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"Occupancy" means rooms sold, including rooms that are 1 occupied but for which the quest is not charged, divided by 2 rooms available for sale. 3 "Person" means any natural person, joint venture, joint 4 5 stock company, partnership, association, club, company, corporation, business trust, or organization of any kind. 6 7 -3 Right of recall. (a) A hotel employer shall 8 recall to active employment the same number of employees in 9 substantially the same classifications as the hotel employer's 10 active workforce on March 1, 2020, adjusted by the ratio the 11 occupancy of the hotel bears to one hundred per cent. A hotel employer shall have every occupied guest room cleaned and 12 13 sanitized every day and shall employ enough housekeeping employees to ensure that this standard is met. 14 15 An employer shall offer its laid-off employees, in 16 writing, to their last known physical address, email address, 17 and phone number all job positions that become available after the effective date of this chapter for which the laid-off 18 19 employee is qualified. A laid-off employee is qualified for a 20 position if the employee meets at least one of the following in 21 descending order of priority:

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1	(1)	The employee held the same or similar position at the
2		enterprise at the time of the employee's most recent
3		separation from active service with the employer; or

- (2) The employee is or can be qualified for the position with the same training that would be provided to a new employee hired into that position.
- 7 Where more than one laid-off employee is qualified for a
- $oldsymbol{8}$ position, the employer shall offer the position to the employee
- 9 with the greatest length of service at the employment site.
- (c) To qualify as a right of recall under this section, a
- 11 laid-off employee shall be offered a position in the same
- 12 classification or job title with substantially the same
- 13 employment site, duties, compensation, benefits, and working
- 14 conditions as applied to the laid off employee immediately
- 15 before March 21, 2020.
- 16 (d) A laid-off employee who is offered a position pursuant
- 17 to this section shall be given no less than ten days to accept
- 18 or decline the offer.
- 19 (e) An employer that declines to recall a laid-off
- 20 employee on the grounds of lack of qualifications and hires
- 21 someone other than the laid-off employee shall provide the

- 1 laid-off employee a written notice within thirty days
- 2 identifying those hired in lieu of the recall, along with all
- 3 reasons for the decision and all demographic data the employer
- 4 has about the new hires and laid-off employees rejected.
- 5 (f) Notwithstanding any other law to the contrary, laid-
- 6 off employees recalled under this section shall be permitted to
- 7 work for at least thirty workdays unless there is just cause for
- 8 their termination.
- 9 (g) The requirements of this chapter shall apply to any
- 10 employer, including in the following circumstances:
- 11 (1) The ownership of the employer changed after a laid-off
- employee was laid off, but the enterprise is
- conducting the same or similar operations as before
- 14 March 21, 2020;
- 15 (2) The form of organization of the employer changed after
- March 21, 2020;
- 17 (3) Substantially all of the assets of the employer were
- 18 acquired by another entity that conducts the same or
- 19 similar operations using substantially the same
- 20 assets; or

1	(4)	The employer relocates the operations at which a laid-
2		off employee was employed before March 21, 2020, to a
3		different employment site within twenty-five miles of
4		the original employment site.

- 5 -4 Retaliatory action prohibited. (a) No employer 6 shall refuse to employ, terminate, reduce in compensation, or 7 otherwise take any adverse action against any person for seeking 8 to enforce their rights under this chapter by any lawful means, 9 participating in proceedings related to this chapter, opposing 10 any practice proscribed by this chapter, or otherwise asserting rights under this chapter. This section shall apply to any 11 employee who mistakenly, but in good faith, alleges 12 13 noncompliance with this chapter.
- (b) An employer refusing to employ, terminating, or taking
 any other adverse action against any employee who has exercised
 their rights under this chapter within sixty days preceding the
 refusal, termination, or other adverse action shall provide to
 the employee at or before the time of the refusal, termination,
 or other adverse action a detailed written statement of the
 reason for the refusal, termination, or other adverse action,

- 1 including all the facts substantiating the reason and all facts
- 2 known to the employer that contradict the substantiating facts.
- 3 § -5 Enforcement. (a) This chapter may be enforced in
- 4 a civil action in any court of competent jurisdiction brought by
- 5 one or more employees for and in behalf of oneself or themselves
- 6 and other employees similarly situated, or the employee or
- 7 employees may designate an agent or representative to maintain
- 8 action for and in behalf of all employees similarly situated, or
- 9 brought in the name of the people of the State by the attorney
- 10 general, director of labor and industrial relations, or a county
- 11 prosecutor.
- 12 (b) If the court finds that the employer has violated this
- 13 chapter, the court may enjoin the employer from engaging in such
- 14 violation, and order such affirmative action as may be
- 15 appropriate, which may include but is not limited to
- 16 reinstatement or hiring of employees, with or without back pay
- 17 including fringe benefits, or any other equitable relief as the
- 18 court deems appropriate. Interim earnings or amounts earnable
- 19 with reasonable diligence by the person or persons discriminated
- 20 against shall operate to reduce the back pay otherwise
- 21 allowable. Before interim earnings are deducted from lost

1 wages, there shall be deducted from the interim earnings any 2 reasonable amounts expended by the employee in searching for, 3 obtaining, or relocating to new employment. The court may order 4 compensatory and punitive damages if the court finds that the 5 employer engaged in the violation with malice or with reckless indifference to the requirements of this chapter, and treble 7 damages on behalf of an employee terminated in violation of 8 section -4.9 If it is established that a laid-off employee exercised rights under this chapter or alleged in good faith 10 11 that the employer was not complying with this chapter, and the 12 employer thereafter refused to employ, terminated, demoted, or 13 otherwise took adverse action against the employee, and that 14 action took place within sixty days after such exercise, then a 15 rebuttable presumption shall arise that the employer's action was taken in violation of section -4. The employer shall 16 17 prove that the true and entire reason for the action was a 18 legitimate business reason. The plaintiff may rebut the 19 employer's asserted legitimate business reason by showing that 20 it was, in fact, a pretext.

1 (d) If the plaintiff prevails in any legal action taken 2 pursuant to this chapter, the court shall award reasonable 3 attorney's fees, expert witness fees, and costs as part of the 4 costs recoverable. 5 The director shall create a system for receiving information about claimed violations of this chapter. 6 system shall enable the submission of information either in 7 8 writing or electronically by any person purporting to have 9 knowledge of the violation. The director shall retain all 10 information for a minimum of two years after submission and shall distribute promptly to the other public officers 11 12 authorized to enforce this chapter information that shows 13 probable cause to believe that one or more violations may have occurred within their respective jurisdictions. 14 15 S -6 Collective bargaining agreements. All provisions 16 of this chapter, or any part of this chapter, may be waived in a bona fide collective bargaining agreement; provided that the 17 waiver is explicitly set forth in the agreement in clear and 18 19 unmistakable terms. Unilateral implementation of terms and

conditions of employment by either party to a collective

bargaining relationship shall not constitute, or be permitted,

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- 1 as a waiver of all or any part of the provisions of this
- 2 chapter.
- 3 S -7 No waiver of rights. Except for bona fide
- 4 collective bargaining agreements, any waiver by a worker of any
- 5 or all the provisions of this chapter shall be deemed contrary
- 6 to public policy and shall be void and unenforceable. Any
- 7 attempt by an employer to have a worker waive rights given by
- 8 this chapter shall constitute a violation of this chapter. This
- 9 chapter may be enforced regardless of any waiver or release
- 10 executed by a worker prior to enactment of this chapter unless
- 11 barred from doing so by another provision of law. Any private
- 12 agreement by which an intended layoff or termination for
- 13 economic reasons is relabeled a resignation or quit shall be
- 14 disregarded under this chapter to the fullest extent permitted
- 15 by law.
- 16 § -8 Coexistence with other available relief for
- 17 deprivations of protected rights. The provisions of this
- 18 chapter shall not be construed as limiting any person's right to
- 19 obtain any other relief to which they may be entitled at law or
- 20 in equity. Any standards relating to recall to work established
- 21 by any applicable federal, state, county law, regulation, or



- 1 ordinance that are more favorable to employees than the minimum
- 2 standards applicable under this chapter shall not be affected by
- this chapter, and those other laws, regulations, and ordinances 3
- shall be in full force and effect and may be enforced as
- 5 provided by law.
- -9 Severability. If any provision of this chapter, or 6
- the application thereof to any person or circumstance, is held 7
- invalid, the invalidity does not affect other provisions or 8
- applications of this chapter that can be given effect without 9
- 10 the invalid provision or application, and to this end the
- provisions of this chapter are severable." 11
- 12 SECTION 2. This Act shall take effect upon its approval.

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Report Title:

Hotels; Right of Recall; Employment

Description:

Requires a hotel employer to recall the same number of employees in substantially the same classification as the employer's active workforce as of 3/1/2020. Requires certain laid-off employees to be offered job positions as they become available, under certain terms and conditions. Prohibits an employer from retaliatory actions against employees who exercise their right to recall. Establishes the rights of employers and employees under the right of recall law.

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