JOANN A. VIDINHAR DEPUTY DIRECTOR



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS www.labor.hawaii.gov

March 2, 2022

To: The Honorable Karl Rhoads, Chair,

The Honorable Jarrett Keohokalole, Vice Chair, and Members of the Senate Committee on Judiciary

The Honorable, Donovan M. Dela Cruz, Chair,

The Honorable Gilbert S.C. Keith-Agaran, Vice Chair, and Members of the Senate Committee on Ways and Means

Date: Wednesday, March 2, 2022

Time: 9:30 a.m.

Place: Conference Room 211 & Videoconference, State Capitol

From: Anne Perreira-Eustaquio, Director

Department of Labor and Industrial Relations (DLIR)

Re: S.B. 2298 S.D.1 RELATING TO WAGES

I. OVERVIEW OF PROPOSED LEGISLATION

SB2298 SD1 proposes to amend sections 387-12(a) and 388-10(b), Hawaii Revised Statutes (HRS), by increasing the penalty for violation of wage laws to a class C felony from a misdemeanor when an employer does not pay the wages of any employee or pays less wages than the employee is entitled.

The DLIR supports this measure.

II. CURRENT LAW

Section 387-12(a), HRS, provides for a misdemeanor with criminal fine of no less than \$500 nor more than \$5,000, 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 387-12(b), HRS, provides for a non-criminal penalty to any employer who violates any provision of Sections 387-2 and 387-3 whereby the employer shall be liable to the employee in the amount of their unpaid minimum wages or unpaid overtime compensation, and in case of wilful violation in an additional equal amount as liquidated damages.

SB2298 SD1 March 2, 2022 Page 2

Section 388-10(a), HRS, provides for a non-criminal, administrative penalty be imposed on any employer who fails to pay wages in accordance with Chapter 388, HRS, or violates this chapter or the administrative rules. The employer shall be liable: 1) to the employee, in addition to the wages legally proven to be due, for a sum equal to the amount of unpaid wages and interest at a rate of six per cent per year from the date that the wages were due; and 2) for a penalty of not less than \$500 or \$100 for each violation, whichever is greater.

Section 388-10(b), HRS, provides for a criminal fine of not less than \$100 nor more than \$10,000, or imprisonment for not more than one year or both fine and imprisonment, to any employer, employer's agent, or any officer or agent of a corporation who fails to pay an employee's wages in accordance with the Payment of Wages and Other Compensation Law.

III. COMMENTS ON THE SENATE BILL

This measure would require the Department of the Attorney General to criminally charge those that violate the Wage and Hour and Payment of Wages and Other Compensation Laws. Currently, the Wage Standards Division conducts investigations and issues notices of violations with civil penalties as an administrative remedy.



HAWAII STATE AFL-CIO

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The Thirty-First Legislature, State of Hawai'i Hawai'i State Senate

Committee on Ways and Means;

Committee on Judiciary

Testimony by Hawai'i State AFL-CIO March 2, 2022

S.B. 2298 S.D. 1 – RELATING TO WAGES

The Hawai'i State AFL-CIO is a state federation of 74 affiliate local unions and councils with over 68,000 members across both public and private sectors. We appreciate the opportunity to testify in **support** of S.B. 2298 S.D. 1.

Hawai'i's most economically vulnerable workers are job insecure and deterring wage theft protects low-wage earners. While raising the minimum wage is one way to lift low-wage earners up, ensuring their lawfully earned wages make it into their pockets is another key strategy of support.

By holding employers who violate wage and hour laws or other compensation laws accountable, we protect and elevate our most economically vulnerable workers.

We appreciate your consideration of our testimony and strongly urge passage of S.B. 2298 S.D. 1.

Respectfully submitted,

Randy Perreira President



OPERATING ENGINEERS LOCAL UNION NO. 3

LATE

2181 LAUWILIWILI STREET, KAPOLEI, HI 96707 • (808) 845-7871 • FAX (808) 682-0906

Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

Senate Committee on Ways and Means

Honorable Donovan M. Dela Cruz, Chair Honorable Gilbert S.C. Keith-Agaran, Vice Chair Honorable Members of the Senate Committee on Ways and Means

Senate Committee on Judiciary

Honorable Karl Rhoads, Chair Honorable Jarrett Keohokalole, Vice Chair Honorable Members of the Senate Committee on Judiciary

March 1, 2022

RE: SUPPORT SB 2298 S.D. 1- RELATING TO WAGES

Dear Chair Dela Cruz, Chair Rhoads, and Members of the respective Committees,

Hawaii Operating Engineers Local 3 supports SB2298 SD1 relating to income.

Hawai'i's most economically vulnerable workers are job insecure and deterring wage theft protects low-wage earners. While raising the minimum wage is one way to lift low-wage earners up, ensuring their lawfully earned wages make it into their pockets is another key strategy of support.

By holding employers who violate wage and hour laws or other compensation laws accountable, we protect and elevate our most economically vulnerable workers.

Sincerely,

Analeseanoa Tuiasosopo (

District Representative - Hawaii

Operating Engineers Union Local No. 3

<u>SB-2298-SD-1</u> Submitted on: 2/27/2022 7:06:15 PM

Testimony for JDC on 3/2/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Gerard Silva	Individual	Oppose	No

Comments:

You are kill the people with wage Hicks that they cannot afored and the you want to make them Crminals on top of that. You are only asking for WAR!!