S.C.R. NO. 117

MAR 1 0 2023

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO CONDUCT A STUDY OF THE EXEMPTIONS TO HAWAII'S MINIMUM WAGE LAW.

WHEREAS, a living wage is a human right; and 1 2 WHEREAS, by Act 114, Session Laws of Hawaii 2022, the State 3 4 incrementally increased Hawaii's minimum wage from \$12 per hour beginning October 1, 2022, to \$18 per hour beginning January 1, 5 6 2028; and 7 8 WHEREAS, numerous exemptions to Hawaii's minimum wage law are contained in section 387-1, Hawaii Revised Statutes, which 9 lists occupations that are excluded from the applicable 10 11 definition of "employee"; and 12 WHEREAS, these exemptions include agricultural employees at 13 farms employing less than twenty people, individuals engaged in 14 coffee harvesting, domestic caretakers, administrative and 15 supervisory employees, persons engaged in catching or harvesting 16 fish, student employees of nonprofit schools, and many others; 17 18 and 19 WHEREAS, while the federal Fair Labor Standards Act has 20 declared certain jobs to be exempt from state and federal 21 minimum wage laws, many modern scholars have argued that these 22 23 provisions of the Fair Labor Standards Act promote racism, sexism, and pay discrimination; and 24 25 WHEREAS, according to the National Low-Income Housing 26 Coalition's Out of Reach 2022 report, a minimum wage employee 27 28 must work one hundred twenty-three hours per week to afford a 29 modest one-bedroom rental home at fair market rent in Hawaii; and 30

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1 2 WHEREAS, according to the Out of Reach 2022 report, a minimum wage employee must work one hundred sixty-one hours per 3 week to afford a two-bedroom rental home at fair market rent in 4 5 Hawaii; and 6 WHEREAS, over sixty percent of households in the islands 7 8 are severely cost burdened, meaning that they pay more than thirty percent of their income on housing, a number that rises 9 10 to over eighty percent for extremely low-income households; and 11 12 WHEREAS, this body finds that the exemptions to Hawaii's minimum wage law should be evaluated to determine if 13 14 modifications are appropriate to ensure that working families 15 are able to meet their basic needs as Hawaii's high cost of living continues to increase; now, therefore, 16 17 18 BE IT RESOLVED by the Senate of the Thirty-second 19 Legislature of the State of Hawaii, Regular Session of 2023, the 20 House of Representatives concurring, that the Department of Labor and Industrial Relations is requested to conduct a study 21 22 of the exemptions to Hawaii's minimum wage law; and 23 24 BE IT FURTHER RESOLVED that the study is requested to specifically consider the exemptions from the definition of 25 "employee" that are contained in section 387-1, Hawaii Revised 26 Statutes, including whether any of those exemptions should be 27 28 repealed; and 29 30 BE IT FURTHER RESOLVED that the Department of Labor and Industrial Relations is requested to submit a report of its 31 findings and recommendations, including any proposed 32 33 legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2024; and 34 35 BE IT FURTHER RESOLVED that certified copies of this 36 Concurrent Resolution be transmitted to the Governor, Lieutenant 37 Governor, and Director of Labor and Industrial Relations. 38 39 OFFERED BY: Kal North 40 41

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