

STAND. COM. REP. NO.

796

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 1057

S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1057, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT EARNINGS,"

begs leave to report as follows:

The purpose and intent of this measure is to require job listings to disclose the hourly rate or salary range reasonably reflecting the actual expected compensation.

Your Committee received testimony in support of this measure from Fujiwara and Rosenbaum, LLLC; American Association of University Women of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawai'i State Democratic Women's Caucus; Hawai'i Women Lawyers; and twelve individuals. Your Committee received testimony in opposition to this measure from the Society of Human Resource Management Hawaii and Retail Merchants of Hawaii.

Your Committee finds that when employers are not transparent about pay, gender and racial wage gaps widen, and women and people of color receive less pay for the same or similar work. Research shows that pay negotiations are unfavorable to women and employers tend to perceive women negatively and as greedy and aggressive when they negotiate. Consequently, women's negotiations are less likely to be met with higher pay and promotions. When a company publicly posts salary ranges, it incentivizes them to proactively review and evaluate their compensation practices and address any



unjustified disparities between employees. This measure helps reduce pay inequality by requiring employers to be transparent about a job opening's pay or salary.

Your Committee acknowledges the concerns raised by several testifiers that while this measure will help reduce pay inequality, it does not go far enough to ensure pay equality for people in protected categories for substantially similar work performed by other employees. Therefore, amendments to this measure are necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language prohibiting an employer from discriminating between employees because of any protected category, including race; sex, including gender identity or expression; sexual orientation; age, religion; color; ancestry; disability; marital status; arrest and court record; reproductive health decision; or domestic or sexual violence victim status in certain circumstances, by paying wages to employees in an establishment at a rate less than the rate at which the employer pays wages to other employees in the establishment for substantially similar work on jobs the performance of which requires equal skill, effort, and responsibility, and that are performed under similar working conditions;
- (2) Amending section 1 to reflect its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1057, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1057, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,




JARRETT KEOHOKALOLE, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <div style="text-align: center; font-size: 1.2em;">SB1057 SDI</div>	Committee Referral: <div style="text-align: center; font-size: 1.2em;">LBT, CPN</div>	Date: <div style="text-align: center; font-size: 1.2em;">2/23/23</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div><input type="checkbox"/> Pass, unamended <small>2312</small></div> <div><input checked="" type="checkbox"/> Pass, with amendments <small>2311</small></div> <div><input type="checkbox"/> Hold <small>2310</small></div> <div><input type="checkbox"/> Recommit <small>2313</small></div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"		✓		
AWA, Brenton	✓			
TOTAL	3	1	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; font-size: 1.2em; margin-top: 10px;">  </div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

*Only one measure per Record of Votes