
A BILL FOR AN ACT

RELATING TO A LEAVE GRANT PROGRAM.

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

1 SECTION 1. (a) There is established within the department
2 of business, economic development, and tourism a leave grant
3 pilot program to help small businesses offer their employees
4 paid:

5 (1) Family leave; and

6 (2) Sick leave.

7 (b) Grants shall be used to cover expenses associated with
8 paid family leave and paid sick leave.

9 (c) To receive a grant, an applicant shall:

10 (1) Be:

11 (A) A for-profit corporation incorporated under the
12 laws of the State;

13 (B) A nonprofit community-based organization
14 determined to be exempt from federal income
15 taxation by the Internal Revenue Service; or

16 (C) A cooperative association;

17 (2) In the case of a nonprofit organization:



- 1 (A) Have a governing board whose members have no
2 material conflict of interest and serve without
3 compensation;
- 4 (B) Have bylaws or policies that describe the manner
5 in which business is conducted and policies
6 relating to nepotism and management of potential
7 conflict of interest situations; and
- 8 (C) Employ or contract with no more than one member
9 of a family or kin of the first or second degree
10 of consanguinity, unless specifically permitted
11 by the department;
- 12 (3) Agree to make available to the department all records
13 the applicant may have relating to the operation of
14 the applicant's activity, business, or enterprise, to
15 allow the department to monitor the applicant's
16 compliance with the purpose of this Act;
- 17 (4) Establish, to the satisfaction of the department, that
18 sufficient funds are available for the effective
19 operation of the activity, business, or enterprise for
20 the purpose for which the grant is awarded; and



1 (5) Demonstrate compliance with Hawaii compliance express,
2 or any successor program established to facilitate
3 compliance with section 103D-310(c), Hawaii Revised
4 Statutes.

5 (d) Every grant shall be:

6 (1) Monitored by the department to ensure compliance with
7 this Act and the purposes and intent of the grant; and

8 (2) Evaluated annually to determine whether the grant
9 attained the intended results in the manner
10 contemplated.

11 (e) Grant moneys shall be provided to each grantee on a
12 set payment schedule; provided that the grantee has submitted
13 sufficient documentation to verify relevant expenses incurred
14 for the purposes of subsection (b).

15 (f) Chapters 42F and 103D, Hawaii Revised Statutes, shall
16 not apply to the leave grant pilot program, except to the extent
17 necessary for the purposes of subsection (c)(5).

18 (g) The pilot program shall commence on July 1, 2023, and
19 terminate on June 30, 2025.

20 (h) No later than twenty days prior to the convening of
21 the regular sessions of 2024, 2025, and 2026, the department



1 shall submit reports to the legislature. Each report shall
2 provide, at minimum:

- 3 (1) Information regarding effectiveness of the pilot
4 program;
- 5 (2) A review of the fiscal needs of the pilot program; and
- 6 (3) Any recommendations, including proposed legislation,
7 for a permanent leave grant program.

8 (i) The department shall adopt rules without regard to
9 chapter 91, Hawaii Revised Statutes, necessary for the purposes
10 of this Act.

11 (j) For purposes of this section:

12 "Department" means the department of business, economic
13 development, and tourism.

14 "Small business" means an entity that complies with
15 subsection (c) and:

- 16 (1) Is domiciled and authorized to do business in Hawaii;
- 17 (2) Is owned and operated independently from any other
18 business entity, except as authorized by
19 subsection (c); and
- 20 (3) Employs fewer than fifty full-time or part-time
21 employees.



1 SECTION 2. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2023-2024 and
4 the same sum or so much thereof as may be necessary for fiscal
5 year 2024-2025 for the purpose of funding grants for the leave
6 grant pilot program established pursuant to section 1 of this
7 Act.

8 The sums appropriated shall be expended by the department
9 of business, economic development, and tourism for the purposes
10 of this Act.

11 SECTION 3. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2023-2024 and
14 the same sum or so much thereof as may be necessary for fiscal
15 year 2024-2025 for administrative expenses, including personnel
16 wages and salaries, for the leave grant pilot program
17 established pursuant to section 1 of this Act.

18 The sums appropriated shall be expended by the department
19 of business, economic development, and tourism for the purposes
20 of this Act.



1 SECTION 4. This Act shall take effect on June 30, 3000.



H.B. NO. 491 H.D. 1

Report Title:

DBEDT; Paid Family Leave; Paid Sick Leave; Grants; Pilot Program; Appropriations

Description:

Establishes within the department of business, economic development, and tourism a two-year leave grant program to help small businesses offer their employees paid family leave and paid sick leave. Requires reports to the legislature. Appropriates moneys. Effective 6/30/3000. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

