

STAND. COM. REP. NO. **2713**

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 2474
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Labor and Technology and Health and Human Services, to which was referred S.B. No. 2474 entitled:

"A BILL FOR AN ACT RELATING TO FAMILY LEAVE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Department of Labor and Industrial Relations to establish and administer a family leave insurance program;
- (2) Provide family leave insurance benefits and extend the period of family leave to sixteen weeks for employees of businesses that employ one or more employees, who meet the hourly qualifications; and
- (3) Eliminate the previous threshold of one hundred employees for employers to be subject to the State's family leave law.

Your Committees received testimony in support of this measure from one member of the Hawaii County Council; Executive Office on Early Learning; Office of Hawaiian Affairs; Disability and Communication Access Board; Department of Health; Department of Human Services; Democratic Party of Hawai'i Women's Caucus; Hawai'i Hunger Action Network; Aloha Care; Hawai'i Children's Action



Network Speaks!; AARP Hawai'i; Hawai'i Public Health Institute; AAUW of Hawaii; Hawaii State Teachers Association; Stonewall Caucus of the Democratic Party of Hawai'i; Catholic Charities Hawai'i; African American Lawyers Association of Hawai'i; Pride at Work - Hawai'i; UNITE HERE Local 5; Hawai'i Public Health Association; Save Medicaid Hawaii; Indivisible Hawaii Healthcare Team; Rainbow Family 808; Aloha United Way; ACLU of Hawai'i; Leukemia & Lymphoma Society; Hawai'i Family Caregiver Coalition; Chamber of Sustainable Commerce; Democratic Party of Hawai'i; Democratic Party of Hawai'i Education Caucus; Democratic Party of Hawai'i Labor Caucus; Imua Alliance; Mental Health America of Hawai'i; Hawai'i Workers Center; Hawaii Appleseed Center for Law and Economic Justice; Parents and Children Together; The Hawaii Chapter of the American Academy for Pediatrics; Breastfeeding Hawaii; Chamber of Commerce Hawaii; and eighty-six individuals.

Your Committees received testimony in opposition to this measure from the Hawaii Government Employee Association, AFSCME Local 152, AFL-CIO; Retail Merchants of Hawaii; Hawai'i Restaurant Association; United Public Workers, AFSCME Local 646, AFL-CIO; NFIB, Hawaii Chapter; Hawaii Energy Marketers Association; Gyotaku Japanese Restaurants; and the Society of Human Resource Management Hawaii.

Your Committees received comments on this measure from the Department of Labor and Industrial Relations, Department of the Attorney General, Department of Budget and Finance, and Grassroot Institute of Hawaii.

Your Committees find that Hawaii's working families are not adequately supported during times of caregiving and illness. Your Committees also find that statistics show that only seventeen percent of workers in the United States have access to paid family leave from their employer. This can cause people to make the difficult choice to leave their jobs in order to provide care to family members. Your Committees further find that the benefits of paid leave are well established and by providing parents with paid time off to care for newborn or adopted children promotes healthy development, improves maternal health, and enhances a family's economic security. This measure provides families with these benefits by implementing a family leave insurance program, which



would also boost employee satisfaction and loyalty within their respective employment.

Your Committees have amended this measure by:

- (1) Clarifying that the family leave insurance fund is a trust fund;
- (2) Inserting language that allows contributions withheld by the employers to be deposited into the family leave insurance trust fund;
- (3) Requiring the Department of Labor and Industrial Relations to collect contributions from employers and employees;
- (4) Requiring collected contributions to be shared at one-half the cost of the premiums per employee;
- (5) Deleting the definition of "designated person" and inserting the definitions of "next of kin", "qualifying service member", "reciprocal beneficiary", and "spouse";
- (6) Deleting the reference to "unpaid leave permitted" in section 398-4, Hawaii Revised Statutes, and replacing it with "paid family leave";
- (7) Inserting a blank appropriation amount and blank full-time equivalent position number necessary for the Department of Labor and Industrial Relations to establish and operate the Family Leave Insurance Program;
- (8) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that although this measure, as amended, contains an unspecified appropriation amount and an unspecified full-time equivalent position number, the Department of Labor and Industrial Relations' testimony requests an appropriation of



\$15,730,233 to establish one hundred twenty-two positions for the establishment and operation of the Family Leave Insurance Program. Therefore, your Committees respectfully request that your Committee on Ways and Means consider inserting an appropriation amount of \$15,730,233 for fiscal year 2024-2025.

As affirmed by the records of votes of the members of your Committees on Labor and Technology and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2474, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2474, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Labor and
Technology and Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair

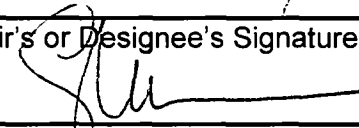


HENRY T.C. AQUINO, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* SB2474	Committee Referral: LBT/HHS, WALI	Date: 3/14/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
IHARA, Jr., Les	X			
LEE, Chris				X
FEVELLA, Kurt	X			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2474	LBT/HHS, WAM	02/14/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
KEOHOKALOLE, Jarrett				✓
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton				✓
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes