

STAND. COM. REP. NO. **2701**

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 2615
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 Government Operations and Labor and Technology, to which was referred S.B. No. 2615 entitled:

"A BILL FOR AN ACT RELATING TO COUNTY LABOR STANDARDS,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the counties to adopt labor standards that include but are not limited to standards for living wages, benefits, and requirements for participation in state-approved apprenticeship programs.

Your Committees received testimony in support of this measure from the Office of the Mayor of the City and County of Honolulu, two members of the Honolulu City Council, one member of the Kauai County Council, two members of the Maui County Council, and Pacific Resource Partnership.

Your Committees received comments on this measure from the Department of Labor and Industrial Relations, Department of the Attorney General, General Contractors Association of Hawaii, and Hawaii Harbors Users Group.

Your Committees find that labor violations have a detrimental impact on the livelihoods of the State's local workforce. Businesses that utilize "underground economy" schemes conceal or misrepresent their employee population to avoid one or more of their employer responsibilities related to wages, payroll taxes,



insurance, licensing, safety, or other regulatory requirements. By granting the counties the authority to adopt labor standards, each jurisdiction has the ability to protect their workers while ensuring the well-being of individuals and their families. Therefore, this measure provides the counties with an opportunity to be leaders for change while establishing fair labor standards and practices.

Your Committees note their support for this measure, as it will provide opportunities for Hawaii's people to ensure fair pay for an honest day's work. However, your Committees find that amendments to this measure are necessary to insert a defective effective date to provide Maui County with time to weigh in on this measure.

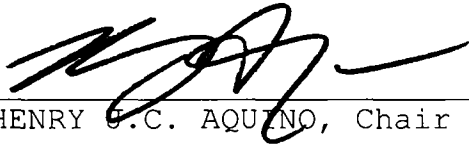
Your Committees have amended this measure by:

- (1) Providing that the labor standards adopted by the counties shall not directly conflict with labor standards established by the State;
- (2) Inserting an effective date of July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

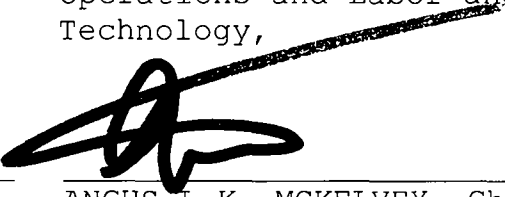
As affirmed by the records of votes of the members of your Committees on Government Operations and Labor and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2615, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2615, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Government
Operations and Labor and
Technology,



HENRY U.C. AQUINO, Chair



ANGUS L.K. MCKELVEY, Chair



