

Honolulu, Hawaii

**FEB 15 2024**

RE: S.B. No. 2711  
S.D. 1

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

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 2711 entitled:

"A BILL FOR AN ACT RELATED TO WORKER RETENTION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require, in an event of a divestiture of a covered establishment, the successor employer to employ incumbent employees under certain circumstances; and
- (2) Establish a penalty for violations.

Your Committee received testimony in support of this measure from ILWU Local 142 and forty individuals

Your Committee received testimony in opposition to this measure from Hawai'i Restaurant Association, Society for Human Resource Management Hawaii, and Retail Merchants of Hawaii.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that Hawaii's workers are currently not protected from being laid off following a divestiture. In some cases hundreds of workers can be laid off at a time at the will of



the new employer. This measure grants workers protections against such practices and adds stability to their employment.

Your Committee has amended this measure by:

- (1) Inserting language that defines the term "substantially dissimilar";
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; 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 Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2711, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2711, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor and  
Technology,

  
HENRY J.C. AQUINO, Chair



