Honolulu, Hawaii

## FEB 1 5 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. MUINO, Chair

## The Senate Thirty-Second Legislature State of Hawai'i

## Record of Votes Committee on Labor and Technology LBT

Bill / Resolution No.:*	Committee	Committee Referral:		Date:	
5B2711	LBT, WAM			2/9/24	
The Committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR	) Nay	Excused
AQUINO, Henry J.C. (C)		X			
MORIWAKI, Sharon Y. (VC)		X			
IHARA, Jr., Les		×			
LEE, Chris		Ý			
FEVELLA, Kurt		*			
		1			
			<u> </u>		
		-			
			<del> </del>		
		ļ	<u> </u>		
			<u> </u>		
			<u> </u>		-
			<del>. </del>		
			<u> </u>		
<u> </u>			_		
TOTAL					
TOTAL		5			
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee F	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy				

\*Only one measure per Record of Votes