



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

March 13, 2024

To: The Honorable Henry J.C. Aquino, Chair,
The Honorable Sharon Y. Moriwaki, Vice Chair, and
Members of the Senate Committee on Labor and Technology

Date: Wednesday, March 13, 2024
Time: 3:00 p.m.
Place: Conference Room 224, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. 2343 HD1 RELATING TO ENFORCEMENT OF
ORDERS OF WAGE PAYMENT**

I. OVERVIEW OF PROPOSED LEGISLATION

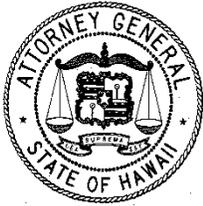
The **DLIR strongly supports** this Governor's package proposal. HB2343 HD1 proposes to amend the Payment of Wages and Other Compensation Law, Chapter 388, Hawaii Revised Statutes (HRS), by broadening the statute to allow filing of final orders of wage payment violations in any court of competent jurisdiction.

II. CURRENT LAW

§388-9.7 requires filing in the circuit court in which the employer conducts business for enforcement proceedings on final orders of wage payment violations.

III. COMMENTS ON THE HOUSE BILL

The DLIR strongly supports this measure to allow the Attorney General to file in district court enforcement proceedings on final orders of wage payment violation that are within the jurisdictional limits of district court. This bill would expedite collection efforts to get employees paid their wages which are rightfully due to them from their employers who have violated Chapter 388, HRS.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2024**

ON THE FOLLOWING MEASURE:

H.B. NO. 2343, H.D. 1, RELATING TO ENFORCEMENT OF ORDERS OF WAGE PAYMENT.

BEFORE THE:

SENATE COMMITTEE ON LABOR AND TECHNOLOGY

DATE: Wednesday, March 13, 2024 **TIME:** 3:00 p.m.

LOCATION: State Capitol, Room 224 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Dean A. Soma, Gurudev D. Allin, Steve A. Bumanglag, or
Jennifer H. Tran, Deputy Attorneys General

Chair Aquino and Members of the Committee:

The Department of the Attorney General (Department) supports this bill and provides the following comments.

This bill amends section 388-9.7, Hawaii Revised Statutes (HRS), to allow enforcement of final orders of wage payment violation to occur in any court of competent jurisdiction rather than exclusively in circuit court as the statute currently provides.

The Department of Labor and Industrial Relations (DLIR) issues orders of wage payment violation when employers are found to have violated their wage payment obligations. Section 388-9.7, HRS, currently provides that the DLIR may file final orders of wage payment violation in "the circuit court in the jurisdiction in which the employer does business" to obtain a judgment for the sum at issue.

District courts are an efficient venue for the resolution of civil actions where the amount in controversy does not exceed \$40,000 because of their expedited processes and deadlines. However, under the current statute, the Department, acting on behalf of the DLIR, must exclusively pursue enforcement of final orders of wage payment violation in circuit court regardless of the amount at issue. This exclusion of district court causes unnecessary delay in obtaining judgment in straightforward wage payment

violation cases. Expanding the statute to allow enforcement proceedings to be brought in district court will improve the efficiency of enforcement.

In general, final orders of wage payment violation issued by the DLIR are for sums well below the jurisdictional maximum of \$40,000 in district court. This bill will preserve the option of pursuing enforcement in circuit court if the facts of a particular case justify or require pursuit in circuit court, although the Department anticipates that district court will be the appropriate venue in the vast majority of wage-payment-violation cases.

This bill requires no appropriation of funds and will serve the public policy of enforcing wage standards and ensuring employees are paid in accordance with their employer's legal obligations in a more efficient and timely manner.

We respectfully request that the Committee change the defective effective date to the original effective date of "upon its approval" and otherwise pass this bill in its current form. Thank you for the opportunity to comment on this bill.



Hawaii Operating Engineers Industry
Stabilization Fund PAC
2181 Lauwiliwili Street
Kapolei, HI 96707
Phone: (808) 845-6221
Website: www.hoeisf.com

March 13, 2024

Senate Committee on Labor & Technology

Senator Henry Aquino, Chair
Senator Sharon Moriwaki, Vice Chair

TESTIMONY IN SUPPORT

House Bill 2343, HD1 Relating to Enforcement of Orders of Wage Payment

Aloha Chair Aquino, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to submit testimony on behalf of the Hawaii Operating Engineers Industry Stabilization Fund Political Action Committee (HOEISF PAC). The HOEISF PAC is a non-profit labor management organization whose core mission is to represent the interests of the Operating Engineers Local Union No. 3 and Hawaii's leading contractors and ensure that the industry is thriving and sustainable for the future.

We are writing in **support of HB2343, HD1**, which broadens enforcement of orders of wage payment violations to allow for certified copies of orders of wage payment violation to be filed in any court of competent jurisdiction.

We support this bill because it would limit delays and improve the efficacy of reimbursement payments to employees whose employer violated wage payment laws. District courts are well-equipped to handle smaller claims with greater expediency, which will hopefully make the process more efficient.

Thank you for the opportunity to provide our testimony in support and we urge you to pass this measure.