#### HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

# H.B. NO. 2151

### A BILL FOR AN ACT

RELATING TO PAID FAMILY LEAVE.

#### **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1	PART I
2	SECTION 1. The Hawaii Revised Statutes is amended by
3	adding a new chapter to be appropriately designated and to read
4	as follows:
5	"CHAPTER
6	PAID FAMILY AND MEDICAL LEAVE
7	-1 Definitions. As used in this chapter, unless the
8	context clearly requires otherwise:
9	"Application year" means the twelve-month period beginning
10	on the first day of the calendar week in which an individual
11	files an application for family and medical leave insurance
12	benefits.
13	"Covered individual" means:
14	(1) Any person who:
15	(A) Has been working for an employer for one hundred
16	eighty days prior to paid leave granted under
17	this chapter; or



### H.B. NO. 2757

1		(B) Is self-employed, elects coverage, and meets the
2		requirements of section -13;
3	(2)	Meets the administrative requirements outlined in this
4		chapter and in rules adopted thereunder; and
5	(3)	Submits an application.
6	"Dep	artment" means the department of labor and industrial
7	relations	
8	"Dir	ector" means the director of labor and industrial
9	relations	
10	"Dom	estic partner" means a person at least eighteen years
11	of age wh	o:
12	(1)	Is dependent upon the covered individual for support
12 13	(1)	Is dependent upon the covered individual for support as shown by either unilateral dependence or mutual
	(1)	
13	(1)	as shown by either unilateral dependence or mutual
13 14	(1)	as shown by either unilateral dependence or mutual interdependence that is evidenced by a nexus of
13 14 15	(1)	as shown by either unilateral dependence or mutual interdependence that is evidenced by a nexus of factors including but not limited to:
13 14 15 16	(1)	<pre>as shown by either unilateral dependence or mutual interdependence that is evidenced by a nexus of factors including but not limited to: (A) Common ownership of real or personal property;</pre>
13 14 15 16 17	(1)	<pre>as shown by either unilateral dependence or mutual interdependence that is evidenced by a nexus of factors including but not limited to: (A) Common ownership of real or personal property; (B) Common householding;</pre>



# H.B. NO. 2757

1	(F) The length of the personal relationship with the
2	covered individual; or
3	(2) Has registered as the domestic partner of the covered
4	individual with any registry of domestic partnerships
5	maintained by the employer of either party, or in any
6	state, county, city, town, or village in the United
7	States.
8	"Employee" includes any individual employed by an employer.
9	"Employer" shall have the same meaning as that term is
10	defined in section 387-1.
11	"Family leave" means leave taken pursuant to section -
12	2(a).
13	"Family leave insurance benefits" means the benefits
14	provided under the terms of this chapter to a covered individual
15	while the covered individual is on family leave.
16	"Family member" means:
17	(1) A biological, adopted or foster child, stepchild or
18	legal ward, a child of a domestic partner, or a child
19	to whom the covered individual stands in loco
20	parentis;

H.B. NO. 2757

1 (2)A biological, adoptive or foster parent, stepparent or 2 legal guardian of a covered individual or a covered 3 individual's spouse or domestic partner or a person 4 who stood in loco parentis when the covered individual 5 or the covered individual's spouse or domestic partner 6 was a minor child; 7 (3) A person to whom the covered individual is legally 8 married under the laws of any state, or a domestic 9 partner of a covered individual; or 10 (4) A grandparent, grandchild or sibling (whether a 11 biological, foster, adoptive or step relationship) of 12 the covered individual or the covered individual's 13 spouse or domestic partner. 14 "Health care provider" means any person licensed under 15 federal or state law to provide medical or emergency services, 16 including but not limited to doctors, nurses, and emergency room 17 personnel, or certified midwives.

18 "Medical leave" means leave taken pursuant to section -19 2(b).

2024-0860 НВ НМЅО

H.B. NO. 2757

1	"Medical leave insurance benefits" means the benefits
2	provided under the terms of this chapter to a covered individual
3	while the covered individual is on medical leave.
4	"Next of kin" shall have the same meaning as that term is
5	defined in section 101(17) of the federal Family and Medical
6	Leave Act (29 U.S.C. 2611(17)).
7	"Qualifying exigency" means leave based on a need arising
8	out of a covered individual's family member's active duty
9	service or notice of an impending call or order to active duty
10	in the armed forces, including but not limited to providing for
11	the care or other needs of the military member's child or other
12	family member, making financial or legal arrangements for the
13	military member, attending counseling, attending military events
14	or ceremonies, spending time with the military member during a
15	rest and recuperation leave or following return from deployment
16	or making arrangements following the death of the military
17	member.
18	"Qualifying service member" means:
19	(1) A member of the armed forces, including a member of

the national guard or reserves, who is:

20

Page 5

2024-0860 HB HMSO

H.B. NO. 2757

1		(A)	Undergoing medical treatment, recuperation, or
2			therapy;
3		(B)	Otherwise in outpatient status; or
4		(C)	Is otherwise on the temporary disability retired
5			list for a serious injury or illness that was
6			incurred by the member in the line of duty on
7			active duty in the armed forces, or a serious
8			injury or illness that existed before the
9			beginning of the member's active duty and was
10			aggravated by service in the line of duty on
11			active duty in the armed forces; or
12	(2)	A fo	rmer member of the armed forces, including a
13		form	er member of the national guard or reserves, who
14		is u	ndergoing medical treatment, recuperation, or
15		ther	apy for a serious injury or illness that was
16		incu	rred by the member in line of duty on active duty
17		in t	he armed forces, or a serious injury or illness
18		that	existed before the beginning of the member's
19		acti	ve duty and was aggravated by service in line of
20		duty	on active duty in the armed forces and manifested



13

### H.B. NO. 2757

before or after the member was discharged or released
 from service.

"Retaliatory personnel action" means denial of any right 3 4 guaranteed under this chapter, including but not limited to any 5 threat, discharge, suspension, demotion, reduction of hours, any 6 other adverse action against an employee for the exercise of any 7 right guaranteed in this chapter, or reporting or threatening to report an employee's suspected citizenship or immigration status 8 9 or the suspected citizenship or immigration status of a family 10 member of the employee to a federal or state agency. 11 "Retaliatory personnel action" includes interference with or 12 punishment for, in any manner, participating in or assisting an

14 "Serious health condition" is an illness, injury, 15 impairment, pregnancy, recovery from childbirth, or physical or 16 mental condition that involves inpatient care in a hospital, 17 hospice, or residential medical care facility, or continuing 18 treatment by a health care provider.

investigation, proceeding, or hearing under this chapter.

19 "State average weekly wage" shall have the same meaning as20 that term is defined in section 386-1.



H.B. NO. 2757

1	§ −2 E	ligibility of benefits. (a) Beginning
2	January 1, 202	7, family leave insurance benefits shall be
3	payable to an	individual who:
4	(1) Qual	ifies as a covered individual; and
5	(2) Meet	s one of the following requirements:
6	(A)	Because of birth, adoption, or placement through
7		foster care, is caring for a new child during the
8		first year after the birth, adoption, or
9		placement;
10	(B)	Is caring for a family member with a serious
11		health condition;
12	(C)	Is caring for a qualifying service member who is
13		the individual's next of kin;
14	(D)	Is a victim of domestic abuse, sexual assault, or
15		stalking who needs leave for medical attention;
16		mental health care or other counseling; victim
17		services, including legal services; court
18		appearances; or relocation for themselves or a
19		family member; or
20	(E)	Has a qualifying exigency.



### H.B. NO. 2757

1	(b) Beginning January 1, 2027, medical leave insurance
2	benefits shall be payable to an individual who:
3	(1) Qualifies as a covered individual; and
4	(2) Has a serious health condition that makes the covered
5	individual unable to perform the functions of the
6	covered individual's position, except accident or
7	disease connected with or resulting from employment as
8	defined in section 386-3 or any other applicable
9	workers' compensation law.
10	<b>§ -3 Duration of benefits.</b> (a) The maximum number of
11	weeks during which family leave insurance benefits are payable
12	in an application year shall be twelve weeks.
13	(b) The maximum number of weeks during which medical leave
14	insurance benefits are payable in an application year shall be
15	twenty-six weeks.
16	(c) The first payment of benefits shall be made to an
17	individual within two weeks after the claim is filed and

19 § -4 Amount of benefits. (a) The weekly benefit shall
20 be calculated based on the covered individual's average weekly
21 wage during the twelve months preceding submission of the

subsequent payments shall be made every two weeks thereafter.

## 2024-0860 HB HMSO

18

H.B. NO. 2757

1	applicati	on or the average weekly wage during the time the
2	covered i	ndividual worked, if less than twelve months.
3	(b)	The benefit amount shall be as follows:
4	(1)	If the covered individual's average weekly wage is
5		equal to or less than thirty per cent of the state
6		average weekly wage, then the benefit amount is equal
7		to eighty-five per cent of the covered individual's
8		average weekly wage;
9	(2)	If the covered individual's average weekly wage is
10		greater than thirty per cent and less than sixty-five
11		per cent of the state average weekly wage, then the
12		benefit amount is equal to seventy per cent of the
13		covered individual's average weekly wage; and
14	(3)	If the covered individual's average weekly wage is one
15		hundred per cent or more of the state average weekly
16		wage, then the benefit amount is equal to fifty per
17		cent of the covered individual's average weekly wage.
18	(C)	In no case shall the weekly benefit amount exceed the
19	state ave	rage weekly wage.



H.B. NO. 275

(d) Family and medical leave insurance benefits shall not
 be payable for less than eight hours of family and medical leave
 taken in one work week.

4 § -5 Contributions. (a) Payroll contributions shall be
5 authorized in order to finance the payment of benefits under and
6 administration and operation of the family and medical leave
7 insurance program.

8 (b) Beginning January 1, 2026, payroll contributions shall 9 be paid by employers and employees in an amount to be determined 10 by the department, based on a per cent of employee wages. The 11 department shall be responsible for evaluating and determining 12 on an annual basis the amount of payroll contributions necessary 13 to finance the family and medical leave insurance benefits 14 program.

(c) An employer may deduct and withhold contributions from
each employee of up to fifty per cent of the amount of payroll
contribution determined by the department.

18 (d) An employer with five or more employees shall remit
19 one hundred per cent of the amount of payroll contribution
20 determined by the department to the family and medical leave
21 trust fund.



H.B. NO. 2757

1	(e) An employer with fewer than five employees shall remit
2	fifty per cent of the amount of payroll contribution determined
3	by the department to the family and medical leave trust fund.
4	(f) A self-employed individual who is electing coverage
5	under section -13 shall remit fifty per cent of the amount of
6	payroll contribution determined by the department to the family
7	and medical leave trust fund.
8	<b>§ -6 Reduced leave schedule.</b> (a) A covered individual
9	shall be entitled, at the option of the covered individual, to
10	take paid family and medical leave on an intermittent or reduced
11	leave schedule in which all of the leave authorized under this
12	chapter is not taken sequentially. Family and medical leave
13	insurance benefits for intermittent or reduced leave schedules
14	shall be prorated.
15	(b) The covered individual shall provide the employer with
16	prior notice of the schedule on which the covered individual
17	will be taking the leave, to the extent practicable. Paid
18	family and medical leave taken under this section shall not
19	result in a reduction of the total amount of leave to which an
20	employee is entitled beyond the amount of leave actually taken.

2024-0860 HB HMSO

.

H.B. NO. 2757

(c) Nothing in this section shall be construed to entitle
 a covered individual to more leave than allowed under
 section -3.

4 S -7 Leave and employment protection. (a) Any covered individual who exercises the covered individual's right to 5 6 family and medical leave insurance benefits shall, upon the expiration of that leave, be entitled to be restored by the 7 8 employer to the position held by the covered individual when the 9 leave commenced, or to a position with equivalent seniority, 10 status, employment benefits, pay, and other terms and conditions 11 of employment, including but not limited to fringe benefits and 12 service credits that the covered individual had been entitled to 13 at the commencement of leave; provided that job duties and hours 14 in the new position need not be identical to the previously-held 15 position, but the employer shall make a reasonable effort to 16 make them similar, at the employee's request.

17 (b) During any leave taken pursuant to section -2, the 18 employer shall maintain any health care benefits the covered 19 individual had prior to taking such leave for the duration of 20 the leave as if the covered individual had continued in 21 employment continuously from the date the covered individual

2024-0860 HB HMSO

H.B. NO. 2757

1 commenced the leave until the date the family and medical leave 2 insurance benefits terminate; provided that the covered 3 individual shall continue to pay the covered individual's share 4 of the cost of health benefits as required prior to the 5 commencement of the leave.

6 (c) This section shall be enforced as provided in7 chapter 398.

8 S -8 Retaliatory personnel actions prohibited. (a) Ιt 9 shall be unlawful for an employer or any other person to 10 interfere with, restrain, or deny the exercise of, or the 11 attempt to exercise, any right protected under this chapter. 12 (b) An employer, temporary help company, employment agency, employee organization, or other person shall not take 13 14 retaliatory personnel action or otherwise discriminate against a 15 person because the person exercised rights protected under this 16 chapter. These rights include but are not limited to the right to request, file for, apply for or use benefits or leave 17 18 provided for under this chapter; communicate to the employer or 19 any other person or entity an intent to file a claim, a 20 complaint with the department or courts, or an appeal; or 21 testify, plan to testify, or assist in any investigation,

2024-0860 HB HMSO

H.B. NO. 275

hearing, or proceeding under this chapter, at any time, including during the period in which the person receives family and medical leave insurance benefits under this chapter; inform any person about any employer's alleged violation of this chapter; and inform any other person of the other person's rights under this chapter.

7 (c) It shall be unlawful for an employer's absence control
8 policy to count paid family and medical leave taken under this
9 chapter as an absence that may lead to or result in discipline,
10 discharge, demotion, suspension, or any other adverse action.

(d) Protections of this section shall apply to any person
who mistakenly, but in good faith, alleges violations of this
chapter.

14 (e) This section shall be enforced as provided in15 chapter 398.

16 § -9 Coordination of benefits. (a) Leave taken with
17 wage replacement under this chapter that also qualifies as leave
18 under the federal Family and Medical Leave Act or chapter 398
19 shall run concurrently with leave taken under the federal Family
20 and Medical Leave Act or chapter 398.



## H.B. NO. 2757

1 (b) An employer may require that payment made pursuant to 2 this chapter be made concurrently or otherwise coordinated with 3 payment made or leave allowed under the terms of disability or 4 family care leave under a collective bargaining agreement or 5 employer policy. The employer shall give employees written 6 notice of this requirement. 7 (c) This chapter does not diminish an employer's 8 obligation to comply with any of the following that provide more 9 generous leave: 10 A collective bargaining agreement; (1)11 (2)An employer policy; or 12 (3) Any other law. 13 (d) An individual's right to leave under this chapter may 14 not be diminished by a collective bargaining agreement entered 15 into or renewed, or an employer policy adopted or retained, 16 after the effective date of this chapter. Any agreement by an individual to waive the individual's rights under this chapter 17

18 is void as against public policy.

19 § -10 Notice. (a) Each employer shall provide written
20 notice to each employee upon hiring and annually thereafter. An
21 employer shall also provide written notice to an employee when

2024-0860 НВ НМЅО

H.B. NO. 2757

1	the emplo	yee requests leave under this chapter, or when the		
2	employer acquires knowledge that an employee's leave may be for			
3	a qualifying reason under section -2 (a)(2). Such notice			
4	shall inc	:lude:		
5	(1)	The employee's right to family and medical leave		
6		insurance benefits under this chapter and the terms		
7		under which the benefits may be used;		
8	(2)	The amount of family and medical leave insurance		
9		benefits;		
10	(3)	The procedure for filing a claim for benefits;		
11	(4)	The procedure for selecting a designated person;		
12	(5)	The right to employment protection and benefits		
13		continuation under section $-7;$		
14	(6)	That discrimination and retaliatory personnel actions		
15		against a person for requesting, applying for or using		
16		family and medical leave insurance benefits is		
17		prohibited under section $-8;$ and		
18	(7)	That the employee has a right to file a complaint for		
19		violations of this chapter.		
20	(b)	An employer shall display and maintain a poster in a		
21	conspicuo	us place accessible to employees at the employer's		



H.B. NO. 275

1 place of business that contains the information required by this
2 section in English, Ilocano, Tagalog, Japanese, and any language
3 that is the first language spoken by at least five per cent of
4 the employer's workforce; provided that the notice has been
5 provided by the department. The director may adopt rules to
6 establish additional requirements concerning the means by which
7 employers shall provide such notice.

8 (c) Employees shall provide notice to their employers as
9 soon as practicable of their intention to take leave under this
10 chapter.

11 § -11 Appeals. (a) The director shall establish a
12 system for appeals in the case of a denial of family and medical
13 leave insurance benefits. In establishing the system, the
14 director may utilize any and all procedures and appeals
15 mechanisms established under section 383-38.

16 (b) Judicial review of any decision with respect to family 17 and medical leave insurance benefits shall be permitted in a 18 court of competent jurisdiction after an aggrieved party has 19 exhausted all administrative remedies established by the 20 director.



### H.B. NO. 2757

(c) The director shall implement procedures to ensure
 confidentiality of all information related to any claims filed
 or appeals taken to the maximum extent permitted by applicable
 laws.

5 § -12 Erroneous payments and disqualifications for
6 benefits. (a) A covered individual shall be disqualified from
7 family and medical leave insurance benefits for one year if the
8 individual is determined by the director to have knowingly and
9 wilfully made a false statement or misrepresentation regarding a
10 material fact, or knowingly and wilfully failed to report a
11 material fact, to obtain benefits under this chapter.

12 (b) If family and medical leave insurance benefits are 13 paid erroneously or as a result of misrepresentation, or if a 14 claim for family and medical leave insurance benefits is 15 rejected after benefits are paid, the department may seek 16 repayment of benefits and penalties from the recipient. The 17 amount of penalty shall not be greater than one hundred fifty 18 per cent of the amount of benefits paid erroneously to the 19 recipient. The director shall exercise the director's discretion to waive, in whole or in part, the amount of any 20

### 2024-0860 HB HMSO

H.B. NO. 2757

payments and penalties where the recovery would be against
 equity and good conscience.

3 S -13 Elective coverage. (a) A self-employed person, 4 including a sole proprietor, partner, or joint venturer, may 5 elect coverage under this chapter for an initial period of not 6 less than three years. The self-employed person shall file a 7 notice of election in writing with the director, as required by 8 the department. The election shall become effective on the date 9 of filing the notice. As a condition of election, the self-10 employed person shall agree to supply any information concerning 11 income that the department deems necessary.

(b) A self-employed person who has elected coverage may withdraw from coverage within thirty days after the end of the three-year period of coverage, or at other times as the director may prescribe by rule, by filing written notice with the director. The withdrawal shall take effect no sooner than thirty days after filing the notice.

18 § -14 Family and medical leave insurance program. (a)
19 By January 1, 2026, the department shall establish and
20 administer a family and medical leave insurance program and
21 begin collecting contributions as specified in this chapter. By



H.B. NO. 2757

January 1, 2027, the department shall begin receiving claims and
 paying family and medical leave insurance benefits as specified
 in this chapter.

4 (b) The department shall establish reasonable procedures 5 and forms for filing claims for benefits under this chapter and 6 shall specify the necessary supporting documentation to support 7 a claim for benefits, including any documentation required from 8 a health care provider for proof of a serious health condition 9 and any documentation required by the department to meet the 10 eligibility requirements for family leave.

(c) The department shall notify the employer within fivebusiness days of a claim being filed pursuant to this chapter.

(d) The department shall use information sharing and
integration technology to facilitate the disclosure of relevant
information or records so long as an individual consents to the
disclosure as required under state law.

(e) Information contained in the files and records
pertaining to an individual under this chapter shall be
confidential and not open to public inspection, other than to
public employees in the performance of their official duties;
provided that the individual or an authorized representative of



H.B. NO. 275

1 an individual may review the records or receive specific 2 information from the records upon the presentation of the 3 individual's signed authorization. 4 (f) The director shall adopt rules as necessary to 5 implement this chapter. 6 S -15 Federal income tax. If the Internal Revenue 7 Service determines that family and medical leave insurance 8 benefits under this chapter are subject to federal income tax, 9 the department shall advise an individual filing a new claim for 10 family and medical leave insurance benefits, at the time of 11 filing the claim, that: 12 (1)The Internal Revenue Service has determined that 13 benefits are subject to federal income tax; 14 (2)Requirements exist pertaining to estimated tax 15 payments; 16 (3) The individual may elect to have federal income tax 17 deducted and withheld from the individual's payment of 18 benefits in the amount specified in the Internal 19 Revenue Code of 1986, as amended; and 20 (4) The individual is permitted to change a previously

21 elected withholding status.

2024-0860 HB HMSO

H.B. NO. 2757

1 S -16 Family and medical leave trust fund. (a) There 2 is established in the treasury of the State as a trust fund, 3 separate and apart from all public moneys or funds of the State, 4 a family and medical leave trust fund, which shall be 5 administered by the department exclusively for the purposes of 6 this chapter. All contributions pursuant to this chapter shall 7 be paid into the fund and all benefits payable pursuant to this chapter shall be paid from the fund. All moneys in the fund 8 9 shall be mingled and undivided.

10 (b) Whenever in the judgment of the director of finance 11 there shall be in the trust fund an amount of funds in excess of 12 that amount deemed by the director of finance to be sufficient 13 to meet the current expenditures properly payable therefrom, the 14 director of finance shall have full power to invest, reinvest, 15 manage, contract, sell or exchange investments acquired with the 16 excess funds in the manner prescribed by law.

(c) On January 1, 2025, or as soon as possible thereafter,
the director of finance shall transfer \$ from the
general fund to the family and medical leave trust fund for the
purpose of defraying expenses incurred by the department,
including hiring and employing personnel to perform functions

2024-0860 HB HMSO

#### H.B. NO. 2757

relating to the establishment and administration of the family
 and medical leave trust fund, before the family and medical
 leave trust fund receives payroll contributions.

4 (d) No later than December 31, 2028, the department shall
5 repay the loan of \$ received pursuant to subsection
6 (c).

7 S -17 Reports. Beginning January 1, 2028, the 8 department shall report to the legislature by April 1 of each 9 year on projected and actual program participation in the family 10 and medical leave insurance program and include the criteria 11 listed in section -2 (a) (2), gender of beneficiary, premium 12 rates, fund balances, outreach efforts, and, for leaves taken 13 under section -2 (a)(2)(B), family members for whom leave was 14 taken to provide care.

15 § -18 Public education. The department shall conduct a
16 public education campaign to inform employees and employers
17 regarding the availability of family and medical leave insurance
18 benefits. Outreach information shall be available in English,
19 Ilocano, Chuukese, Marshallese, Tagalog, Spanish, and other
20 languages spoken by more than five per cent of the students in
21 the department of education's English learner program.

2024-0860 HB HMSO 

### H.B. NO. 2757

1	<b>§ -19 Sharing technology.</b> The department may use state
2	data collection and technology to the extent possible and to
3	integrate the program with existing state policies.
4	<b>§ -20 Severability.</b> If any provision of this chapter or
5	its application to any person or circumstance is held invalid,
6	the invalidity shall not affect other provisions or applications
7	of the chapter which can be given effect without the invalid
8	provision or application, and to this end the provisions of this
9	chapter are declared to be severable."
10	SECTION 2. The department shall adopt all rules necessary
11	for implementation of this part by January 1, 2026.
12	PART II
13	SECTION 3. Chapter 392, Hawaii Revised Statutes, is
14	repealed.
15	SECTION 4. Subpart B of part VI of chapter 378, Hawaii
16	Revised Statutes, is repealed.
17	PART III
18	SECTION 5. Section 41D-2, Hawaii Revised Statutes, is
19	amended by amending subsection (a) to read as follows:
20	"(a) The comptroller, through the risk manager, shall:

2024-0860 HB HMSO

# H.B. NO. 2757

1	(1)	Have discretion to purchase casualty insurance for the
2		State or state agencies, including those employees of
3		the State who, in the comptroller's discretion, may be
4		at risk and shall be responsible for the acquisition
5		of all casualty insurance;
6	(2)	Have discretion to purchase property insurance for the
7		State or state agencies and shall acquire all property
8		insurance;
9	(3)	Direct and manage all risk management and insurance
10		programs of the State, except for employee benefits
11		insurance and workers' compensation insurance programs
12		or as otherwise provided in chapters 87A, 88, 383 to
13		386A, [ <del>392,</del> ] and 393;
14	(4)	Consult with state agencies to determine what
15		property, casualty, and other insurance policies are
16		presently in force or are sought by the state agencies
17		and to make determinations about whether to continue
18		subscribing to insurance policies. In the event that
19		the risk manager's determination is not satisfactory
20		to the state agency, the state agency may have the
21		risk manager's decision reviewed by the comptroller.



H.B. NO. 2757

1		In this case, the comptroller's decision shall be
2		final;
3	(5)	Consolidate and combine state insurance coverages, and
4		purchase excess insurance when, in the comptroller's
5		discretion, it is appropriate to do so;
6	(6)	Acquire risk management, investigative, claims
7		adjustment, actuarial, and other services, except
8		attorney's services, as may be required for the sound
9		administration of this chapter; provided that a broker
10		submitting a proposal in response to a fixed fee
11		solicitation by the comptroller pursuant to this
12		subsection and the broker's performance of the
13		activities in accordance with the proposal shall not
14		constitute a violation of sections 431:10-218,
15		431:13-102, and 431:13-103;
16	(7)	Gather from all state agencies and maintain data
17		regarding the State's risks and casualty, property,
18		and fidelity losses;
19	(8)	In conjunction with the attorney general and as
20		otherwise provided by this chapter, compromise or
21		settle claims cognizable under chapter 662;

2024-0860 HB HMSO

H.B. NO. 275

1 (9) Provide technical services in risk management and 2 insurance to state agencies; 3 (10) Be authorized to establish a captive insurance company 4 pursuant to article 19 of chapter 431 to effectuate 5 the purposes of this chapter; and 6 (11)Do all other things appropriate to the development of 7 sound risk management practices and policies for the State." 8 9 SECTION 6. Section 103D-310, Hawaii Revised Statutes, is 10 amended by amending subsection (c) to read as follows: 11 "(c) All offerors, upon award of contract, shall comply 12 with all laws governing entities doing business in the State, 13 including chapters 237, 383, 386, [392,] and 393. Offerors 14 shall produce documents to the procuring officer to demonstrate 15 compliance with this subsection. Any offeror making a false 16 affirmation or certification under this subsection shall be 17 suspended from further offerings or awards pursuant to section 18 103D-702. The procuring officer shall verify compliance with 19 this subsection for all contracts awarded pursuant to sections 103D-302, 103D-303, 103D-304, and 103D-306, and for contracts 20 21 and procurements of \$2,500 or more awarded pursuant to section

2024-0860 HB HMSO

#### H.B. NO. 2757

1 103D-305; provided that the attorney general may waive the 2 requirements of this subsection for contracts for legal services 3 if the attorney general certifies in writing that comparable 4 legal services are not available in this State." 5 SECTION 7. Section 393-3, Hawaii Revised Statutes, is 6 amended by amending the definition of "wages" to read as 7 follows: 8 ""Wages" means all remuneration for services from whatever 9 source, including commissions, bonuses, and tips and gratuities 10 paid directly to any individual by a customer of the 11 individual's employer, and the cash value of all remuneration in 12 any medium other than cash. 13 The director may issue [regulations] rules for the 14 reasonable determination of the cash value of remuneration in 15 any medium other than cash. 16 If the employee does not account to the employee's employer for the tips and gratuities received and is engaged in an 17 18 occupation in which the employee customarily and regularly receives more than \$20 a month in tips, the combined amount 19 20 received by the employee from the employee's employer and from 21 tips shall be deemed to be at least equal to the wage required

2024-0860 НВ НМЅО

H.B. NO. 2757

by chapter 387 or a greater sum as determined by regulation of
 the director.

3 "Wages" does not include the amount of any payment
4 specified in section 383-11 [or 392-22] or chapter 386."
5 SECTION 8. Section 398-4, Hawaii Revised Statutes, is
6 amended by amending subsection (c) to read as follows:

7 "(c) An employer who provides sick leave for employees 8 shall permit an employee to use the employee's accrued and 9 available sick leave for purposes of this chapter; provided that 10 an employee shall not use more than ten days per year for this 11 purpose, unless an express provision of a valid collective 12 bargaining agreement authorizes the use of more than ten days of sick leave for family leave purposes. [Nothing in this section 13 14 shall require an employer to diminish an employee's accrued and 15 available sick-leave below the amount required pursuant to 16 section 392-41; provided that any sick leave in excess of the 17 minimum statutory equivalent for temporary disability benefits 18 as determined by the department may be used for purposes of this 19 chapter.]"

20 SECTION 9. Section 431:10-244, Hawaii Revised Statutes, is
21 amended to read as follows:



H.B. NO. 2757

1	"§431:10-244 Filing procedure for contracts approved by
2	commissioner. Each insurance contract requiring approval by the
3	commissioner pursuant to this code[, section 392-48,] or section
4	386-124 and each contract certified by the insurer to be in
5	conformity with this code shall be accompanied by a \$20 fee
6	payable to the commissioner, which shall be deposited into the
7	commissioner's education and training fund."
8	PART IV
9	SECTION 10. Chapter 378, Hawaii Revised Statutes, is
10	amended by amending the title of part VI, subpart C, to read as
11	follows:
12	"[C.] B. REASONABLE ACCOMMODATIONS IN THE WORKPLACE"
13	SECTION 11. Section 378-71, Hawaii Revised Statutes, is
14	amended as follows:
15	1. By repealing the definition of "child".
16	[""Child" means an individual who is a biological, adopted,
17	or foster son or daughter; a stepchild; or a legal ward of an
18	employee."]
19	2. By repealing the definition of "course of conduct".
20	[""Course of conduct" means acts over any period of time of
21	repeatedly maintaining a visual or physical proximity to a

2024-0860 HB HMSO

•

# H.B. NO. 2757

1	person or conveying verbal or written threats, including threats
2	conveyed through electronic communications or threats implied by
3	conduct."]
4	3. By repealing the definition of "electronic
5	communications".
6	[""Electronic-communications" includes communications via
7	telephone, mobile phone, computer, e-mail, video recorder, fax
8	<pre>machine, telex, or pager."]</pre>
9	4. By repealing the definition of "health care provider".
10	[""Health care provider" means a physician as defined under
11	section 386-1."]
12	PART V
13	SECTION 12. If any provision of this Act, or the
14	application thereof to any person or circumstance, is held
15	
10	invalid, the invalidity does not affect other provisions or
16	invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the
16	applications of the Act that can be given effect without the
16 17	applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions

2024-0860 HB HMSO

# H.B. NO. 2757

1	SECTION 14. This Act shall take effect upon its approval;
2	provided that parts II, III, and IV shall take effect on the
3	earlier of January 1, 2027, or the start of the department of
4	labor and industrial relations receiving claims and paying
5	family and medical leave insurance benefits as specified under
6	chapter .
7	
	INTRODUCED BY:

JAN 2 4 2024



### H.B. NO. 2757

#### Report Title:

Family and Medical Leave Insurance Program; Family and Medical Leave Insurance Benefits; Department of Labor and Industrial Relations

#### Description:

By 1/1/2026, requires the Department of Labor and Industrial Relations to establish a family and medical leave insurance program and begin collecting payroll contributions to finance payment of benefits. By 1/1/2027, requires the Department to start receiving claims and paying benefits under the program. Specifies eligibility requirements and employee protections under the program.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

