STAND. COM. REP. NO. 446

Honolulu, Hawaii

FEB 1 3 2025

RE: S.B. No. 182 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred S.B. No. 182 entitled:

"A BILL FOR AN ACT RELATING TO SERVICE DISRUPTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Require hotelkeepers to provide adequate notice of strikes and lockouts to guests and third-party vendors under certain conditions; and
- (2) Allow for recovery of damages.

Your Committee received testimony in support of this measure from UNITE HERE Local 5.

Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that in order for the tourism industry to thrive, visitors must be made aware of and able to plan around potential disruptions to their trips, including those caused by labor disputes. Hoteliers are often aware of these disruptions before they occur but have historically omitted informing guests to avoid potential revenue loss. This measure protects the reputation and integrity of the State's tourism industry by

requiring hotelkeepers to give guests notice of strikes and lockouts and release them from their reservation obligations under certain circumstances.

Your Committee has amended this measure by:

- (1) Inserting language of legislative intent, clarifying the justifications for the requirements proposed in this measure;
- (2) Inserting a non-impairment clause to clarify that this measure shall not be applied to impair any existing contract in a manner violative of the Hawaii State Constitution or the United States Constitution;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure, as amended, does not address all potential service disruptions such as construction work, infestations, or unavailability of amenities, appliances, and utilities, which may unduly obstruct visitors' plans nor provide direct remedies for injured persons such as suing for damages and bringing proceedings to enjoin the violation. Your Committee finds that these issues merit further consideration and respectfully requests that subsequent Committees to which this measure is referred examine the need to expand the scope of this measure and insert language addressing direct remedies available to persons injured by violations.

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. 182, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 182, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Judiciary.

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

HENRY J.C. AQUINO, C

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Labor and Technology LBT

Bill / Resolution No.:*				ate:	
50182	LBT, CPN/JDC 2/10/25				
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)		~			
LEE, Chris (VC)	<u></u>	4			
IHARA, Jr., Les		×	<u> </u>		
MORIWAKI, Sharon Y.	· · · · · · · · · · · · · · · · · · ·	4			
FEVELLA, Kurt		×			
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TOTAL		5			
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow port Clerk's Office		Pink Goldenrod Prafting Agency Committee File Copy		
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*Only one measure per Record of Votes