RE: S.B. No. 2906
        S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii
Sir:

     Your Committee on Labor, Culture and the Arts, to which was referred S.B. No. 2906 entitled:

     "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS,"
begs leave to report as follows:

     The purpose and intent of this measure is to update various assessments and penalties under the jurisdiction of the Department of Labor and Industrial Relations by revising the monetary assessments to account for inflation.

     Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawaii Regional Council of Carpenters, and one individual.

     Your Committee finds that the penalties in this measure have not, for the most part, been raised since enactment of the establishing statutes, and otherwise at no time in the recent past. According to the Bureau of Labor Statistics, the equivalent of many of the penalties with inflation were often double the current statutorily set amount. As such, your Committee also finds, these penalties have lost their deterrent effect. Adjusting the penalties to keep pace with the cost of living demonstrates the State's investment in workers as well as its support for sustaining responsible employers who follow the labor laws.

     Your Committee has amended this measure by deleting statutory language for clarity, consistency and conformity.

     As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2906, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2906, S.D. 1, and be referred to your Committee on Judiciary.

                  Respectfully submitted on behalf of the members of the Committee on Labor, Culture and the Arts,

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                  BRIAN T. TANIGUCHI, Chair