



Hawaii Employers Council

February 5, 2007

2007 Legislature - Bills To Watch

There are a number of employment bills this session which, if passed, would have significant effects on employers and employment practices. Here are some major employment bills to watch:

- Sick leave discrimination, HB 52, SB 955, HB 1078. These bills prohibit employers from discharging, disciplining, and otherwise discriminating against employees because of their use of sick leave. The bills would prohibit the use of “no-fault” attendance policies, and would make it more difficult for employers to address sick leave abuse. A variation of this bill almost passed during last year’s session.
- Abusive work environment, HB 868, HB 1806, SB 253. These bills would make employers liable for bullying and abusive workplace conduct which is not directed to an employee’s protected classification. In essence, the bills attempt to establish a civility code for the workplace, and may make employers liable for office gossip, profanity, etc., as well as employer conduct which an employee perceives as overly demanding, harsh, or unfair.
- Successor employers, HB 388, HB 1745. These bills will require that purchasers of a Hawaii business having 20 or more (HB 388) or 50 or more (HB 1745) employees must retain the employees of the seller, except under certain limited circumstances. Opponents of the bills note that they would substantially dampen investment in the state, and would make it difficult for purchasers to make failing businesses profitable by laying off workers or utilizing new workers with superior qualifications and skills.
- Plant closing, HB 1503 & SB 1662. These bills change the current Hawaii Dislocated Workers Act in two significant ways. First, they add “bankruptcy or other close of business transaction” to the definition of a “closing.” Currently, business failures such as the loss of a lease or bankruptcy are not considered “closings” which trigger the notification requirements of the DWA. Second, the bill will require that 60 days advance notice be provided to employees of any “divestiture” which involves a transfer of ownership interest, such as a sale or merger, regardless of whether the transfer of interest will result in any layoffs or terminations.

- Unemployment tax reduction, HB 518, HB 558, HB 1070, HB 1385, SB 906, SB 1471. These bills all propose a temporary reduction in the unemployment tax for various periods. Unlike the bills discussed immediately below, they do not seek any corresponding increases in unemployment benefits.
- Unemployment insurance benefits increases, HB 1500, HB 860, HB 1502, SB963, SB 1814. These bills all provide for **permanent** increases in unemployment insurance benefits (*e.g.* increases to 75% or 80% of average weekly wages, increase from 26 to 30 weeks of benefits), which they offset by providing temporary decreases in the unemployment taxable wage base. A version of these bills was opposed by employer groups last year, passed by the Legislature, then vetoed by Governor Lingle.
- Workers compensation: There are a number of workers' compensation bills proposed this year. Most are intended to protect claimants, while a few are designed to help reduce workers compensation costs. They are too numerous to describe here, so interested employers should refer to HEC's chart of introduced bills.

Questions regarding any pending legislation should be directed to Clayton Kamida, HEC's General Counsel, at CKamida@hecouncil.org