

Honolulu, Hawaii

MAR 22 2017

RE: H.B. No. 1114
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 1114, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH
PENALTIES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase monetary penalties for Hawaii Occupational Safety and Health (HIOSH) violations;
- (2) Require the Director of Labor and Industrial Relations to adjust the penalties each year pursuant to federal law; and
- (3) Require the Director of Labor and Industrial Relations to report the penalty adjustments to the Legislature each year.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, ILWU Local 142, Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund, Hawaii Glaziers Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund, and Hawaii Tapers Market Recovery Trust Fund.



Your Committee finds that compliance with federal Occupational Safety and Health Administration (OSHA) standards ensures federal funding for the HIOSH Division. Your Committee also finds that monetary penalties for violations under HIOSH have not been increased since 1990, because OSHA was exempt from the Federal Civil Penalties Inflation Adjustment Act of 1990, which directed agencies to adjust civil monetary penalties for inflation. Congress has recently enacted the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (2015 Act), which applies to monetary penalties under OSHA. This measure increases HIOSH monetary penalties in conformity with the 2015 Act.

Your Committee has amended this measure by:

- (1) Inserting the penalty amounts that were included in the original version that was introduced;
- (2) Specifying that the Director of Labor and Industrial Relations must submit an annual report to the Legislature no later than twenty days prior to the convening of each regular session; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee has received conflicting information regarding the apparent discrepancy in section 396-10(f), Hawaii Revised Statutes, as to the minimum penalty to be assessed for repeat violations and suggests that this matter be discussed further as this measure continues through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1114, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1114, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



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


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HB 1114, HD1	Committee Referral: JDL, WAM	Date: 3/14/17
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado	✓			
THIELEN, Laura H.	✓			
TOTAL	4	0	0	1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature: *Karl Rhoads*

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