

Testimony also in attachment:

5 copies COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Rep. Alex M. Sonson, Chair
Rep. Bob Nakasone, Vice Chair

Tuesday, February 12, 2008 8:50 a.m. Conference Room
309

HB 2520 HD1 RELATING TO CAREGIVERS. Amends the temporary disability insurance law to permit an eligible employee to collect up to 4 weeks of temporary disability insurance benefit payments to care for a family member with a qualifying disability. Effective 07/01/09.

SUPPORT

This testimony is being submitted on behalf Kokua Council whose mission includes advocating for the health of the elderly and those vulnerable populations who can not advocate for themselves.

Our policy and the State's, are committed to helping the frail elderly stay at home as long as possible. For this reason it is important to support the many caregivers who can make this possible. Over 80% of caregiving is provided at home by unpaid family members and friends saving the state many millions of dollars they would otherwise expend for institutional care.

A recent research report by Pacific Research & Planning Associates stated that 55% of their sample were employed and of these, one quarter said their employment had been affected by their caregiving causing them to work reduced hours, take time off and even leave their jobs. Their salaries and benefits were effected by this. They stated that the only benefit they received from their employers was the ability to work part-time.

This bill will help relieve the pressure on caregivers as well as the burden on long term care facilities.

In addition, assuring employees two paid weeks on temporary disability benefits employers who will not lose the expertise of experienced workers.

Laura G. Manis, Legislative Chair,
Kokua Council tel. 597-8838

Hawaii Aging Advocates Coalition

Founding Organizations

City & County of Honolulu
Elderly Affairs
Karen Miyaki
Craig Yamaguchi

City & County of Honolulu
Service Providers
Tony Wong

FACE
Stan Bain
Jim Howell

Hawaii Caregiver Coalition
Tony Lenzer

HARA
Al Hamai
Bruce McCullough

Hawaii County Office on Aging
Alan Parker
Lito Asuncion

Hawaii County Service Providers
Debra Nakaji

JACOSA
Lyn McNeff

Kauai Agency on Elderly Affairs
Kealoha Takahashi

Kokua Council
Larry Geller

Maui County Office on Aging
John Tomoso

Maui County Service Providers
Kathy Louis

Maui Long Term Care Partnership
Rita Barreras

PABEA
Gary Simon
Eldon Wegner

Co-Conveners
Wes Lum
Hawaii Caregiver Coalition

Harry Mattson
Kokua Council

**Testimony to the House Committee on Labor and Public Employment
Tuesday, February 12, 2008
Conference Room 309; 8:50am**

RE: H.B. No. 2520, H.D. 1, RELATING TO CAREGIVERS.

Chair Sonson, Vice Chair Nakasone, and Members of the Committee,

My name is Wes Lum and I am testifying on behalf of the Hawaii Aging Advocates Coalition (HAAC). **HAAC supports this measure.**

This measure amends the Temporary Disability Insurance (TDI) law to permit an eligible employee to collect up to 2 weeks of TDI benefit payments to care for a family member with a qualifying disability.

We believe that the costs of paid family leave benefits business. When you have an employer who is good to you, you stick with them. A short-term investment leads to long-term gains as satisfied, productive employees remain loyal. Investing in employees is good for business.

Additionally, paid family leave makes Hawaii a better, more attractive place for business. Paid family leave will likely attract skilled workers and therefore help, rather than hinder, Hawaii's business environment by increasing competition for workers in the marketplace.

Finally, workers should not be forced to choose between their families and their jobs. Frail older adults need care, and without government action, families will continue to suffer under the strain of trying to secure a paycheck. Employees need financial support to meet their obligations of work and eldercare.

HAAC supports this measure and asks for your favorable consideration. Thank you for the opportunity to testify.

To the House Committee on Labor & Public Employment, who have scheduled a public hearing on bill relating to paid family leave and the EOA Director's salary on Tuesday, February 12, 2008 at 8:50a in Room 309.

Honorable Chairs and Members of the Committee:

I am in support of **H.B. 2520, HD1** to permit an eligible employee to collect up to two weeks of temporary disability insurance benefit payments to care for a family member with a qualifying disability.

The emotional stress on families is compounded by financial worries especially during the first couple of weeks following an incident placing family members in a caregiver role.

I am also in support of **H.B. 2775, HD1** to allow the appointing authority to set the salary for the Director of the Executive Office on Aging. The importance of the Director's role as the leader of the Aging Network in the State of Hawaii needs to be supported by appropriate compensation.

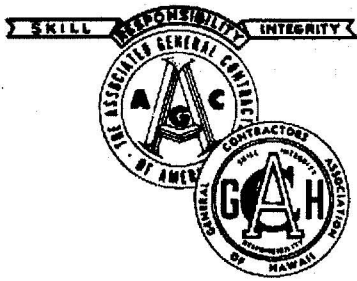
Mahalo,

Alan R. Parker

Executive on Aging

Hawaii County Office of Aging

arparker@hcoahawaii.org



GENERAL CONTRACTORS ASSOCIATION OF HAWAII

1085 AHUA STREET • HONOLULU, HAWAII 96819-4493 • PHONE 808-833-1681 • FAX 808-839-4167

E-MAIL ADDRESS: gca@gcahawaii.org • WEBSITE: www.gcahawaii.org

February 8, 2008

TO: THE HONORABLE ALEX SONSON AND MEMBERS OF THE COMMITTEE
ON LABOR & PUBLIC EMPLOYMENT

SUBJECT: H.B. 2520 HD1, RELATING TO CAREGIVERS

HEARING DATE: Tuesday, February 12, 2008
TIME: 8:50 a.m.
PLACE: Conference Room 309

Chair Sonson and Members of the Committee on Labor & Public Employment:

The General Contractors Association of Hawaii (GCA), an organization comprised of over five hundred and forty (540) general contractors, subcontractors, and construction related firms, recommends that the Committee on Labor and Public Employment, **not pass** H.B. 2520, Relating To Caregivers. The Bill would extend temporary disability benefits to individuals for a period of up to four (4) weeks to care for family members with a serious health condition. The TDI law was enacted to provide benefits for non-occupational sickness or accident of a temporary nature and exceeds a period of one week. The law was not intended to provide compensation to individuals to care for sick family members. In the usual situation a person who takes off from work care for a sick family member will take vacation leave for that short period of time. TDI benefits are available only when the disability exceeds one week. The GCA believes that the TDI benefit law was not intended to cover caregivers who care for sick family members. This measure will result in hardship and increased cost especially for small businesses. The GCA respectfully requests your committee not pass this measure.

Thank you for your consideration of our concerns.

Tuesday, January 29, 2008

Testimony relating to HB 2520

As a former employer, prior supervisor of 200+ employees and current consultant to many businesses in Hawaii, I see the reality of family care giving issues on a daily basis. The more realistic and far sighted businesses attempt to make concessions to the employees they deem most valuable to their business who find caregiving concerns impacting their job schedules and performance. Extended lunch hours to allow for Doctor visits, late starts without docking pay and schedule changes that try to help these employees managing conflicting pressures are extended only in selected cases. As the labor force grew tighter over the past few years, these provisions became more generous.

But Hawaii is not dealing with unlimited employer generosity and the labor market will cycle back to a less favorable environment for employees at some point, making it less likely that employers will voluntarily create such flexible atmospheres for workers. And the likelihood of extending these flexibilities beyond the most critical employees – even in today’s market environment – is non-existent.

HB 2520 attempts to put a face on the specific definition of caregiving as it relates to what actually happens in family situations. The health and well being of an employee is actually impacted by the caregiving needs of a family member. This provision makes it possible for the caregiver to aide in the care of a family member *without* having to lie or pretend to be sick. It will help alleviate some of the psychological stress that comes when financial loss compounds the caregiving needs. If we, as a society, are to fulfill our duty to those who have provided for us and enabled us to become a society, we must provide reasonable and practical solutions that allow employed individuals to provide honor and care in the most practical manner possible. This bill will help accomplish that goal.

Each one of you voting on this bill will, at some point in your lives, be faced with a caregiving situation. It may be you needing to provide care for another person, and it is even more likely it will be someone in your family needing to take time out of their work schedule to meet your needs. Set the example today by passing this piece of legislations. It is another step on the road to properly designating resources in gratitude and respect for our *kupuna*.

Sincerely yours,

Gary A. Powell

95-099 Lauaki Pl.

Mililani, HI 96789

TO : COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
Rep. Alex M. Sonson, Chair
Rep. Bob Nakasone, Vice-Chair

FROM: Eldon L. Wegner, Ph.D.
POLICY ADVISORY BOARD FOR ELDER AFFAIRS (PABEA)

HEARING: 8:50 am, Tuesday, February 12, 2008
Conference Room 309, State Capitol

SUBJECT: HB 2520 HD1 RELATING TO CAREGIVERS

PURPOSE; Amends the TDI law to permit an eligible employee to collect up to 2 weeks of temporary disability insurance benefit payments to care for a family member with a qualifying disability.

POSITION: The Policy Advisory Board for Elder Affairs **strongly supports approval** of HB 2520 HD 1 which would create 2 weeks of paid family leave for employed caregivers meeting certain criteria through the Temporary Disability Insurance program. However, we believe the purpose of the bill would be better served by retaining the original intention of up to 4 weeks of paid family leave

RATIONALE:

The Policy Board for Elder Affairs has a statutory obligation to advocate on behalf of the senior citizens of Hawaii. While we advise the Executive Office on Aging, we do not speak on behalf of the Executive Office of Aging.

- § This bill is a recommendation of the Joint Legislative Taskforce on Family Caregiving, which is charged with developing comprehensive and coherent policies to support families caring for frail elderly and other disabled persons;
- § The proposed policy, which is based on an existing program operating in California, would provide meaningful support for persons balancing work and caregiving obligations and would increase the ability for such persons to continue in the labor force by enabling them to attend to the most urgent situations.
- § The proposal is intended as a win-win, since retention of experienced workers in the labor force benefits the caregiver, the employer and the larger society;
- § Surveys in 2007 of employers and of family caregivers in Hawaii provide data which support the need for assisting employed caregivers and a growing recognition by employers of the lost productivity due to the strains of working caregivers,
- § The 2007 survey of family caregivers in Hawaii showed that 55% were balancing work and employment. They reported many strains in balancing these obligations, often resulting in absences, interruptions during work hours, leaving early, and anxieties which reduced productivity.

- § Reducing hours of work, reducing work responsibilities, and passing up promotions result in substantial financial sacrifices by employed caregivers. A high proportion of unemployed caregivers also reported leaving jobs because of their obligations as caregivers, usually at great financial sacrifice to their families.
- § The survey data suggest such a supportive policy would likely result in greater workforce retention, benefiting the caregiver, the employer and the general society, especially if combined with other workplace policies such as flexible hours to support caregivers.
- § According to testimony of the Department of Labor at the last hearing of this bill, the cost of TDI averages \$150 per year, about \$12 per month per employee. By spreading the cost across the entire labor force, the cost can be kept low. The new paid family leave provision would probably average less than \$5 per month additional – a relatively trivial expense considering the potential benefits
- § Providing the potential four weeks provides a more meaningful protection to caregivers than 2 week, and is likely to make very little difference in the premium.

In conclusion, paid family leave exists in California and in many other countries as a significant support to family caregivers and as an economic policy which encourages labor force participation. We believe such a policy would have positive impacts for Hawaii and the Policy Advisory Board for Elder Affairs strongly supports this bill.

Thank you for allowing me to testify on this bill.

To the Honorable Chairperson Alex Sonson, Vice Chair Bob Nakasone and committee members:

I am writing to you in support of HB2520, Relating to Caregivers.

I am in support of the TDI law to permit eligible employees up to four weeks of TDI benefit payments to care for a disabled family member, including elder-care.

I am presently a Hawaii licensed MFT on Maui working with the Co-Occurring Disorder population, many of whom are in their late 40s and 50s. I also am employed as an intensive family therapist with Family Court Drug Court and many times work with three generations of family members in sessions. I truly feel that this bill can help improve the quality of physical, emotional, and mental health care of the entire family.

Thank you.

Sincerely,

Lydee Ritchie, MA LMFT

COD Day Treatment Program: 808.270.3008
2065 Main St. Suite 106-A
Wailuku, HI 96793

Chairperson Alex Sonson
Vice Chair Bob Nakasone
Committee members, Committee on Labor and Public Employment

Re: Testimony in support of HB2520 HD1

I am writing in support of HB2520 HD1 to amend the TDI law to allow eligible employees up to 4 weeks of TDI benefit payments to care for a disabled or elderly family member.

The modification of the law would support a working family member/ caretaker to be able to care for his/her family member for a short period of time without suffering undue emotional, physical or financial hardship during a time of need and would enable the caretaker to remain a valued part of the workforce and not so readily have to quit or take early retirement. One member of our ACT treatment team is leaving to care for her father. This might have been prevented had a modified TDI law been in place.

Please support HB2520.

Thank you very much,

Mitch Berman, MA, MFT

Mitch Berman
mmb246@clearwire.net



The Voice of Small Business®

**Before the House Committee on
Public Labor and Employment**

DATE: February 12, 2008

TIME: 8:50 a.m.

PLACE: Conference Room 309

**Re: HB 2520 HD1 - Relating to Caregivers
Testimony of NFIB Hawaii**

This testimony is presented on behalf of the National Federation of Independent Businesses (NFIB) with respect to HB 2520 HD1 - Relating to Caregivers.

NFIB is the largest advocacy organization representing small and independent businesses in Washington, D.C. and all 50 state capitols, with more than 1,000 members in Hawaii and 600,000 members nationally. NFIB members are a diverse group consisting of high-tech manufacturers, retailers, farmers, professional service providers and many more.

NFIB agrees that caregiving is an important issue, with the potential to affect many businesses as well as families. We are concerned that wage replacement that may be available to employees potentially places an administrative burden on employers who must collect and then remit these contributions. We are opposed to legislation that would place additional financial or administrative burden on business, particularly small businesses.



HAWAII TEAMSTERS AND ALLIED WORKERS, LOCAL 996

Affiliated with the International Brotherhood of Teamsters

1817 Hart Street
Honolulu, Hawaii 96819-3205

Telephone: (808) 847-6633
Fax: (808) 842-4575

Representative Alex Sonson, Chair
Representative Bob Nakasone, Vice-Chair
Committee on Labor and Public Employment

Date: Feb. 12, 2008, 8:50am, room 309

Re: HB2520, HD1, Relating to Caregivers.

The Hawaii Teamsters Local 996 negotiates and enforces over 50 contracts serving 6000 members in various industries in Hawaii and Guam. Some of the companies offer options that include paid leave with FMLA depending on the size and operation of the company.

At OTS, Inc., TheBus, allows me to get paid FMLA buy using accrued sick leave or vacation days. I was fortunate to have this option to care for my Mom after Bypass surgery two years ago. I continue to Use FLMA with pay currently to provide transportation and to be there at follow up Doctor exams. I believe that giving her the care at home made her more comfortable and happier which has helped in her recovery.

HB2520, HD1, would give others the opportunity to care for loved ones while receiving some financial assistance to pay for gas, parking at the doctor's office, or medications they might need.

The Hawaii Teamsters Local 996, Supports HB2520, HD1

Thank you for allowing the opportunity to testify.

Glenn Ida
Local 996 PAC Co-Chair
295-1280



Chairman Alex Sonson, Vice Chair Bob Nakasone and Labor & Public Employment Committee Members,

My name is Gail (Diaz) Eynon,

I am a 22 year resident of the Big Island, presently residing in Hilo. I am currently a student at Capella University studying for my master's degree in Marriage and Family Therapy. Before becoming a student I worked in private homes to provide families the opportunity to rest from caring for their terminally ill family members and elderly family who could no longer live on their own. I saw the stress these families were under trying to make arrangements for these fragile family members, organizational skills in moving furniture around to accommodate these family members trying to make their living area as private and as respectable as could be expected. The majority of these families had to face reality and talk openly about funeral arrangements that were not too far in their future. All of these additions to their living environment included an increase in financial responsibilities. Unfortunately I also saw family members retiring from their jobs and careers only a few years before they had planned on retiring. They chose to forfeit their government allotted benefits to care for their loved ones. Not only were they dealing with the stress of caring for those loved ones, but I saw them grieve their life desire to retire with benefits after they put in so many productive years in their careers. To add onto all of this, their lives were then filled with responsibilities of planning for inevitable death and all the doctor's appointments and planning that entailed.

It is my opinion that if the government would increase the TDI benefits were increased for the care givers of these family members the hardships would be eased, giving the elderly and terminally ill in need of their family's services some quality time that cannot be replaced. The stress would be lowered for the family members giving them time to adjust or make plans to include their own lives in decision making.

We are all going to need someone to help us in our time of need and we may have to provide those services for others we love that need us. Hawai'i is known for it's o'hana, the love and respect for our families. As Hawai'i's residence give to our communities and government, so too should our government help our families and show their aloha by caring enough to extend the TDI benefits.

When I first moved to this island as a single parent, I took my two children to Hapuna. When it came time to leave my car wouldn't start and I was stuck. A truck of local boys in their teens came to my car and helped me by jump-starting my car. I was grateful for their help and knowing they were teenagers I offered them \$10. They would not take it, then I offered them a \$20 bill. The boys got out of the truck, came over to me and gave me and my children a hug, then they said something to me that I have never forgotten, they said, "Auntie, we don't want your money, what goes around comes around." They left me and my children with what I imagined to be the true sense of aloha. I pass their gift onto you as you make this decision in our government, making a difference in our o'hana of Hawai'i, "What goes around comes around," do what you know is right. Imagine yourself in the predicament of being responsible for your loved ones, would alittle more time with those family members make a difference? Wouldn't have that extra financial support lessen your stress?

As a helper of families and seeing the difference of helping families, I ask you to vote your conscious and do what you know is right, we owe it to our elders and terminally ill.

Sincerely,

Gail (Diaz) Eynon

Janet Hyrne, MS
P.O. Box 894811
Mililani, Hawaii 96789-4811
Telephone: (808) 291-5321
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Email: janethyrne@yahoo.com

JANET HYRNE, M.S.

February 11, 2008

Chairman Alex Sonson, Vice Chair Bob Nakasone and
Members of the LAB Committee
Hawaii State Capitol
Honolulu, HI 96813

RE: HB2520, Relating to Caregivers

Dear Chairman Sonson, Vice Chair Nakasone and LAB Committee Members:

I am writing testimony in support of HB2520, Relating to Caregivers, because it is extremely important that as our population ages, those tasked to care for loved ones be provided as much support as possible. Allowing them access to Temporary Disability Insurance benefit payments would help defray the financial hardship placed upon caregivers.

In my work experience as a mental health counselor, I have counseled many people on the frustrations that come from caring for aging and/or disabled family members. Personally, I have five friends who care for aging parents and one who cares for a disabled brother. I have seen firsthand the hardships imposed upon them as they sacrifice a substantial amount of personal and financial resources to take on this responsibility.

As our population continues to age, we will see more people within the workforce tasked with the responsibility of caring for aging parents and relatives. Allowing TDI benefits for these people will help stabilize their income, reduce forced early retirement or unemployment, and protect those being cared for by allowing their caretakers the needed time off without financial repercussions.

I support HB2520 and ask the members of the Health Committee to support this bill. If you would like to speak to me regarding my testimony, please feel free to contact me at any of the numbers listed above.

Aloha,

Janet Hyrne, MS
Marriage & Family Therapist-Intern

I am a Marriage and Family Therapist and have work extensively with clients who are homebound with debilitating diseases. Here in Kona, caregivers from agencies are in short supply. The agencies often have to juggle people and double schedule them, and sometimes no caregiver is available at all. If family members are willing and available to care for the patient, that is surely the most reliable and comfortable option. That commitment should be made affordable to them with paid leave from their other employment.

Katherine Sweetser, MFT

**Testimony before the House Committee on
Labor & Public Employment**

By Julie Price

Manager, Compensation and Benefits
Hawaiian Electric Company, Inc.

February 12, 2008

8:50 a.m.

HB 2520, HD1 Relating to Caregivers

Chair Sonson and members of the committee:

Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company, oppose HB 2520, HD1.

This bill will increase operational costs. Employee absences due to sickness, vacation, family leave, and military leave make it difficult to maintain adequate staffing levels necessary for a 24/7 utility operation such as ours. As currently drafted, this bill allows employees to collect up to two weeks of TDI benefit payments to care for a family member with a serious health condition. We currently allow employees to use up to 10 days of unused sick leave to care for a family member with a serious health condition as required under the Hawaii Family Leave Act. This sick leave is at full pay. We therefore, do not understand the need for additional mandates.

In addition, clarification is needed as to whether the two week period is a maximum per year or per family member with a serious health condition. Conflicts between the TDI law and Hawaii Family Leave Act need to be addressed in detail. The "conformity with other laws" provision is not sufficient for employers to administer the requirements under both laws.

We cannot support this bill in its present form. Thank you for the opportunity to provide testimony on this matter.



**The Chamber of
Commerce of Hawaii**
Since 1850

**Testimony to the House Committee on Labor and Public Employment
Tuesday, February 12, 2008 at 8:50 a.m.
Conference Room 309, State Capitol**

RE: HOUSE BILL NO. 2520 HD1 RELATING TO CAREGIVERS

Chair Sonson, Vice Chair Nakasone, and Members of the Committee:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber does not support HB 2520 HD1.

The Chamber is the largest business organization in Hawaii, representing over 1100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. The organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This measure amends the temporary disability insurance law to permit an eligible employee to collect up to two weeks of temporary disability insurance benefit payments to care for a family member with a qualifying disability.

The Chamber commends the Legislature for seeking ways to address the current situation of caregivers and supports a statewide effort to address the growing number of family caregivers especially those who work while providing care. However, we believe this measure is not the appropriate vehicle for the following reasons:

1. The bill does not tie the receipt of TDI benefits to caregiving. Instead, the bill amends the TDI statute at HRS 392-21(a)(2) to provide that a person is eligible for TDI benefits if his/her child/spouse/parent as defined by HFLA has a serious health condition. The duration of benefits because of a family member's disability is then set at 2 weeks, under the amendment to HRS 392-23. Again, an employee could draw 2 weeks of TDI benefits because of the disability of a family member even if that employee has no caregiving responsibilities whatsoever.
2. The bill does not specify the total amount of TDI benefits which an employee can take per year due to the disability of a family member. The amendment at 392-23 states "the duration of temporary disability benefits payments for the period of disability of an employee's family member shall not exceed two weeks." Arguably, within any benefit year, an employee could get 2 weeks of TDI benefits to care for a child, 2 weeks of benefits to care for a parent, 2 weeks to care for a grandparent, etc., up to a maximum of 26 weeks.

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The Chamber of Commerce of Hawaii Testimony on HB 2520 HD1
February 12, 2008

3. Currently, TDI insurance is relatively inexpensive, because few employees are disabled from working for more than 7 days (the TDI waiting period), and most employees have sufficient sick leave or paid vacation to cover short absences due to illness, and most would rather take paid sick or vacation rather than the 58% of wages provided by TDI. However, with the increase in utilization of TDI under this bill, TDI premium costs to employers are likely to increase substantially.
4. The amendments unreasonably penalize self-insured employers. Under the bill's amendment to 398-4, if an employer is self-insured, and uses paid sick leave benefits to meet its TDI obligations, its employees can use an unlimited amount of sick leave for Hawaii Family Leave purposes. Although this amendment was probably designed to equalize the impact of the bill among self-insured and non-self-insured employers, there should be some limit on the paid sick leave which employees of self-insured employers can take (i.e. if employer is self-insured, employees can take paid sick leave for HFLA purposes in amount equivalent to 4 weeks at 58% of pay plus 10 days at 100% of pay).
5. It will be difficult to find insurers who are willing to underwrite TDI insurance given the new amendments, because it will be difficult to calculate risk and payouts without a history of claims experience.

Additionally, we believe this measure may impose additional costs on businesses especially on small companies. Because of the limited resources, companies who have a limited number of employees will have to shoulder additional responsibilities, in turn, become overworked, eventually leading to an unstable work environment. Furthermore, the cost of doing business in our state continues to rise. This measure will undermine employers' efforts to cut costs all while retaining and providing benefits to employees.

The Chamber believes that employers and employees can balance work and caregiving through voluntary programs and/or incentives. Employers understand the hardships that some employees are experiencing and care about the well-being of their employees. Many businesses are already providing a level of flexibility for employees who are in difficult situations. Businesses, recognizing the need to ameliorate the situation, will continue to seek ways to address the current concerns through their own efforts.

In light of the above, The Chamber of Commerce of Hawaii does not support HB 2520 HD1. Thank you for the opportunity to testify.