

HB 2930, Relating to the Minimum Wage  
LAB; Chair, Rep Sonson

PLEASE PASS THIS BILL.

The research is INCONTROVERTIBLE: increasing the minimum wage is one of the best ways of all to stimulate the economy. That is because minimum wage earners spend virtually all their money almost as soon as they receive it. That creates a MUTLTIPLIER EFFECT, wherein that money continues to be spent in ways that continue to help the economy at many different levels.

Please do not listen to those who will claim that raising the minimum wage is somehow bad for business. The research shows that businesses, and small businesses in particular, thrive when the minimum wage is increased because that money is spent predominantly in small businesses.

Of course, there is a critical moral issue involved in trying to help workers survive in an increasingly expensive economy. We do NOT want to see more homeless!

So, please support our hard-working neighbors and friends by supporting this bill.

Thank you.

Aloha, joel

President, 19-3, Democratic Party

Professor  
University of Hawai'i, School of Social Work Henke Hall Honolulu, HI  
96822

"It is reasonable that everyone who asks justice should DO justice."  
Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."  
Dr. Martin Luther King, Jr.

"Never, never, never quit."  
Winston Churchill

HB 2930, Relating to Employment (Minimum Wage) Com. on Labor & Public Employment, Rep. Alex Sonson, Chair

PLEASE PASS THIS IMPORTANT BILL!

I am compelled to submit this testimony because there are so many anti-worker myths floating around regarding the minimum wage. My arguments are based on actual research results and working for many years with, and as an advocate for, the poor and the "working poor."

Myth #1: Increasing the minimum wage would hurt businesses. Increases in the minimum wage, no matter how large, help rather than hurt, entry-level workers and businesses. The major reason this happens is called the "multiplier effect." In short, when more money is circulated in the economy (rather than withdrawn and placed in investments), consumer confidence and spending power increase exponentially. In the case of the working poor, this means looking for better places to rent, purchasing more food, eating out more often, an increase in purchasing clothes and other personal items, and a move toward less dependence on food stamps and welfare.

The increase in the minimum wage is good for businesses too. That's because, again, that increase is circulated throughout our economy. For example, a family of three with more income may be able to go out to dinner once a month to a local restaurant. The owner of the restaurant uses that money to pay the rent, pay the employees, buy vegetables from the local farmers and pay the utilities. From that money, the owner of the building has money to spend, the employees have money to spend and the farmers can now pay for their seeds and fertilizers and so forth. If all working poor families had an increase in monies to spend, the economy would be far more vibrant.

Myth #2: Rep. A minimum wage hike would result in small businesses raising prices and the long term result would be that the average customer would shop at local stores less and at big national chain stores more.

Well, this has been going on for quite some time already before the previous minimum wage hike. The longer peoples' wages remain stagnant and low, the more they will be seeking bargains at these big WalMart-type stores. In fact this is how these big corporations are able to exploit workers with low wages and minimal benefits while reaping huge profits. At the same time, small businesses are suffocating. It is only when people's wages go up that they are able to frequent the smaller businesses. Thus, higher wages make for a larger pool for the small business clientele.

Myth #3: The community will reach a "financial breaking point." This is inaccurate and mainly applicable to the relatively well-off who pay high taxes such as property taxes. Most of the poor and working poor are renters, not property owners. Most of the working poor do not pay conveyance taxes, real property taxes and sewer fees, or other "luxuries" of the well-to-do. The working poor simply need more money just to afford life's most basic expenses by being able to afford the same things that the middle class can afford: rent, utility bills, having enough food for the family and maybe some family quality time in between having to work two to three jobs (albeit at minimum wage).

Because we are one of the five most expensive cities in the US in which to live, you would expect the unions to strike when there has NOT been an increase in wages for a long time rather than when wages have been increased. However, strikes have been occurring regardless of what the minimum wage has been. Unions are looking at the cost of living, not the minimum wage; unions compare their wages with their counterparts elsewhere, not with the minimum wage.

At this point, the working poor is on the endangered species list. Our homeless population is growing and will continue to grow without adequate income support and truly affordable housing. Meanwhile, the Federal Poverty Level for 2005 for a family of 3 in Honolulu is \$18,510. Even a minimum wage hike will keep workers earning it in poverty. To reach even the poverty level, a family of 3 would have to earn about \$9/hours, 52 weeks a year. AND THAT IS STILL POVERTY! How can our advanced society tolerate such injustice?

Rather than simply focusing on the MINIMUM wage, it's time for all of us to begin considering what it will take to earn a LIVING WAGE. Self-sufficiency studies in Honolulu indicate that it will take almost twice the Federal Poverty level to live here in a self-sustaining way. The living wage (see, <http://www.livingwagecampaign.org/>) can make it happen. We owe it to our friends and neighbors to see that it does.

Mahalo,

Renee H. Furuyama, LSW, MURP

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

RE: Opposition to HB2930

Dear Chairman Sonson & Vice Chair Nakasone:

I am opposed to an increase in the minimum wage. Raising the minimum wage will not only force me, but I'm sure it will force everyone to raise their prices. These increased prices will negate any improvement in living quality for those who are living on minimum wage positions.

This will also result in lost jobs as I and others will probably have to try to do more with less in order to keep costs in line. Even if jobs are not lost, hours may have to be cut. Someone working 40 hours/week before the increase might now be scheduled for only 30 hours, negating any gain made by an increased minimum wage. If you combine that with higher overall costs, people who are living on minimum wage will be in a worse situation than if the wage was not raised—if they have a job at all.

Low wage positions are entry level jobs and these are the first step for young workers entering the workforce. By raising these costs on unskilled workers, you are effectively closing the door on many young people trying to make the transition from school to the workplace. We should be looking at ways to increase and expand opportunities, not limit or take them away.

Restaurants are currently dealing with a decrease in sales, higher energy, supply and food costs. The result of an increase in the minimum wage at this time will have adverse affects on many small businesses already operating close to or below break even. The economy is slowing and bankruptcies are up 44% in 2007 over 2006. Many predict

2008 will be worse. We must do all what we can to help reduce costs for small business and not raise them. Please don't help contribute to unemployment and bankruptcies. Thank you.

Sincerely,

Sean Uezu  
Popeyes Chicken & Biscuits

**COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
Chair Alex M. Sonson,  
Vice Chair Bob Nakasone,**

**RE: Opposition to HB2930**

**Chairman Sonson,**

**I am opposed to an increase in the minimum wage at this time. An increase in the minimum wage will result in higher menu prices and contribute to inflation.**

**Restaurants are currently dealing with a decrease in sales, higher energy, supply and food costs. The result of an increase in the minimum wage at this time will have adverse affects on many small businesses already operating close to or below break even.**

**HB 2930 also fails to recognize the contribution that full service restaurants make by providing a significant number of jobs earning 3 to 10 times the minimum wage when tips income is taken into account.**

**Without a substantial increase the Tip Credit the majority of the full service restaurant owners continue to pay 97% of the full minimum wage to employees already earning several times the minimum wage in tips. This results in reducing the employer's ability to give non-tipped positions higher discretionary pay increases. Note: Federal Law and 40 other states permit employers to pay tipped employees as much as 50% of the minimum wage, provided the employee makes more than the credit amount in tips.**

**By simply increasing the Tip Credit to 25% (as in SB 2257), restaurateurs will be able to redirect the savings to the non-tipped kitchen staff. Please**

**consider this approach to helping restaurateurs  
increase the wages of their lowest paid workers.**

**Sincerely,  
Barbara Holm, Hawaii Hospitality Magazine**

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Representative Alex Sonson, Chair  
Representative Bob Nakasone, Vice Chair  
Committee on Labor & Public Employment  
State Capitol, Honolulu, Hawaii 96813



HEARING      Tuesday, February 5, 2008  
                    8:30 am  
                    Conference Room 309

**RE:    HB2930, Relating to the State Minimum Wage**

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

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing about 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii.

**RMH strongly opposes HB2930** as an unnecessary interference in business operations that are, and should be, driven by the marketplace.

Hawaii has the lowest unemployment rate in the country, a fact that should bode well. However, it has created an extremely tight labor force for our expanding industry. In order to attract employees, our retailers are already offering wages that are well over the current minimum of \$7.25. At greatest disadvantage to this situation are our hundreds of small retailers which do not have the resources to compete with larger businesses on a dollar-for-dollar basis. Rising and un-controllable business expenses have to be balanced, either with increased prices for consumers or with reductions in employment levels. Neither of these options is acceptable in this highly competitive marketplace.

An increase in the minimum wage causes a compression of wages between newly hired, inexperienced workers and veteran, experienced employees. An attempt to mandate scheduled but indeterminate adjustments at the lowest tier of the employment scale would cause a tremendous and prohibitive increase in overall employment costs. Furthermore, an increase in payroll costs would also lead to increases in benefit costs that are based on wages, including vacation and holiday pay, unemployment insurance, social security and Medicare, and workers' compensation premiums.

The members of the Retail Merchants of Hawaii respectfully request that you hold HB2930. Thank you for your consideration and for the opportunity to comment on this measure.

A handwritten signature in cursive script, appearing to read 'Carol Regille'.

President



People Serving People



est. 1977

# Hawaii Restaurant Association

1451 South King St, Suite 503  
 Honolulu, HI 96814  
[www.hawaiirestaurants.org](http://www.hawaiirestaurants.org)

Phone: 808.944.9105  
 Fax: 808.944.9109  
[hra@hawaiirestaurants.org](mailto:hra@hawaiirestaurants.org)

February 3, 2008

FAX TO: 808.586.6501

Please copy and send to meeting of Committee on Labor & Public Employment scheduled for Tuesday, February 5, 2008 at 8:30 AM in House Conference Room 309.

TO: Representative Alex M. Sonson, Chairman  
 Committee on Labor & Public Employment  
 House of Representatives  
 415 S. Beretania Street Honolulu, Hawaii 96813

RE: HB 2930 – Relating to the State Minimum Wage

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

On behalf of the Hawaii Restaurant Association, I am writing in opposition to HB 2930 relating to the state minimum wage.

As the single largest private sector employer in the Hawaii, restaurants and food service industry represents nearly 3,033 establishments, employing approximately 84,100 employees (13.4% of the state's work force). In 2007, our industry generated \$3.1 billion in sales.

In an economy that is described as "soft" at best, increase the starting wage by July 1, 2008 from the current rate of \$7.25 per hour to \$8.00 (an increase of 10.34%) is unreasonable and will have a tremendous impact on the many small, "mom and pop" operations as well businesses in general throughout our community. These small operators who are the "heart" of our economy have very little flexibility to pass on added increases in their operating expenses to their customers.

The deadline of July 1, 2008 is simply not practical. Establishing a date not only when our general economy has improved and giving small business people an opportunity to understand and implement needed changes would be more logical.

Without a substantial increase in the Tip Credit, the majority of the full service restaurant owners continue to pay 97% of the full minimum wage to employees already earning several times the minimum wage in tips. This results in reducing the employer's ability to give non-tipped positions higher discretionary pay increases. Note: Federal Law and 40 other states permit employers to pay tipped employees as much as 50% of the minimum wage, provided the employee makes more than the credit amount in tips.

By simply increasing the Tip Credit to 25% (as in SB 2257), restaurateurs will be able to redirect the savings to the non-tipped kitchen staff. Please consider this approach to helping restaurateurs increase the wages of their lowest paid workers.

Mahalo.

Gail Ann Chew  
 Executive Director

**Board of Directors  
 2006 - 2007**

**Chair** Beau Mohr  
 Pearl

**Treasurer** Chris Colgate  
 Duke's Casino Club

**Secretary** Jim Hamachek  
 Dede Grill

**Past Chair** Bill Tobin  
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**Big Island Chair  
 NRA Director** Paul Mann  
 The Corner Pocket Bar & Grill

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 Hawaii  
 Paul Ah Cook  
 Paradise Beverage  
 Bill Graper  
 Collins Monroe Friedlander  
 Leo Iackovitz  
 Director  
 Brian Kawabe  
 American Express  
 Bob Lathan  
 Hansen Food Service  
 Victor Lim  
 Mc Donald's Restaurants  
 Gary Manago  
 d.k. Restaurants  
 Stephanie Mizuno  
 Sodekno (Straub)  
 Bob Morse  
 Southern Wine & Spirits  
 Bill Puchert  
 Director  
 Robert Small  
 CRIT 3888  
 Kevin Wade  
 Sodekno (Tokani)  
 Allen Young  
 Better Brands

**NRA Director  
 Emeritus** Ed Wary  
 Auntie Pasta's Restaurant

**Advisory Directors** Faith Freitas  
 Trade Publishing  
 Ken Kanter  
 Douglas Trade Shows  
 Conrad Nonaka  
 Culinary Institute of the Pacific  
 Cuyler Shaw  
 Asinara & Winston

**Executive  
 Director** Gail Ann Chew

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Chair Alex M. Sonson,  
Vice Chair Bob Nakasone,

RE: Opposition to HB2930

Chairman Sonson,

I am the General Manager at Auntie Pasto's Kunia and I am written to express my opposition to HB2930.

I am opposed to an increase in the minimum wage at this time. An increase in the minimum wage will result in higher menu prices and contribute to inflation.

As a small restaurant I am currently dealing with decrease sales, higher energy, supply and food costs. The result of an increase in the minimum wage at this time will have adverse affects on my business as well as many other small businesses already operating close to or below break even.

HB 2930 also fails to recognize the contribution that full service restaurants make by providing a significant number of jobs earning 3 to 10 times the minimum wage when tipped income is taken into account. This is the case with us.

Without a substantial increase in the Tip Credit I will continue to pay 97% of the full minimum wage to my employees already earning several times the minimum wage in tips. This results in reducing the my ability to give non-tipped positions higher pay increases. Note: Federal Law and 40 other states permit employers to pay tipped employees as much as 50% of the minimum wage, provided the employee makes more than the credit amount in tips. Most of my front of the house employees have moved here from the mainland and are always amazed at the wage they get here.

By simply increasing the Tip Credit to 25% (as in SB 2257), restaurateurs will be able to redirect the savings to the non-tipped kitchen staff. Please consider this approach to helping restaurateurs increase the wages of their lowest paid workers.

Sincerely,  
Kimi Racine  
General Manager  
Auntie Pasto's Kunia  
808-680-0005

HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO  
Gentry Pacific Design Center, Suite 215A  
560 N. Nimitz Highway, #50  
Honolulu, Hawaii 96817  
(808) 524-2249 - FAX (808) 524-6893

February 2, 2008

Honorable Representative Alex Sonson, Chair  
Honorable Representative Bob Nakasone, Vice Chair  
Members of the House Committee on Labor & Public Employment  
Hawaii State Capital  
415 South Beretania Street  
Honolulu, HI 96813

RE: IN SUPPORT OF HB 2930  
RELATING TO THE STATE MINIMUM WAGES  
Hearing: Tuesday, February 5, 2008, 8:30 a.m.

Dear Chair Sonson, Vice Chair Nakasone and the House Committee on Labor & Public Employment:

For the Record my name is Buzz Hong the Executive Director for the Hawaii Building & Construction Trades Council, AFL-CIO. Our Council is comprised of 16-construction unions and a membership of 26,000 statewide.

This Council supports the passage of HB2930, which increases the state minimum wage to \$8.00 beginning 7/1/2008; to \$8.50 beginning 7/1/2009; and to \$9.00 beginning 7/1/2010.

Thank you for the opportunity to submit this testimony in support of HB2930.

Sincerely,

William "Buzz" Hong  
Executive Director

WBH/dg



LWD, INC.  
1101 Fort Street Mall  
Honolulu, HI 96813  
(808) 532-1596 Fax (808) 532-1597

February 3, 2008

Representative Alex M. Sonson, Chair  
Committee on Labor & Public Employment  
House of Representatives  
415 S. Beretania St.  
Honolulu, Hawaii 96813

Dear Chair Sonson and Members of the Committee;

I am writing in opposition to HB 2930 relating to the state minimum wage.

As the owner of several restaurants here in Honolulu, I employ about 200 people. We view the minimum wage as a starting wage. For most of our employees McDonald's is their very first job. Our average wage is significantly higher because we offer twice a year merit increases as well as promotional increases. All the managers in my restaurants had McDonald's as their first job at the entry level. System wide about 70 % of the restaurant managers and 50% of the restaurant owners also had their first job at McDonald's.

As you are fully aware of our softening economy, a change of the starting wage from the current \$ 7.25 an hour to \$ 8.00 by July 1, 2008, an increase of \$ .75 or a 10.34 % increase will further dampen our soft economy impacting especially the small businesses and the mom and pops who will have no ability to pass on the additional costs.

The very short time line of July 1, 2008 will make it extremely difficult for everyone to communicate and implement. Having the effective date further out at a time when the economy is stronger would be more reasonable.

Thank you very much for giving me the opportunity to share my views.

Sincerely,

Victor Lim  
Franchise Owner

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Chair Alex M. Sonson,  
Vice Chair Bob Nakasone,

RE: Opposition to HB2930

Chairman Sonson,

I am opposed to an increase in the minimum wage at this time. An increase in the minimum wage will result in higher menu prices and contribute to inflation.

Restaurants are currently dealing with a decrease in sales, higher energy, supply and food costs. The result of an increase in the minimum wage at this time will have adverse affects on many small businesses already operating close to or below break even.

HB 2930 also fails to recognize the contribution that full service restaurants make by providing a significant number of jobs earning 3 to 10 times the minimum wage when tips income is taken into account.

Without a substantial increase the Tip Credit the majority of the full service restaurant owners continue to pay 97% of the full minimum wage to employees already earning several times the minimum wage in tips. This results in reducing the employer's ability to give non-tipped positions higher discretionary pay increases. Note: Federal Law and 40 other states permit employers to pay tipped employees as much as 50% of the minimum wage, provided the employee makes more than the credit amount in tips.

By simply increasing the Tip Credit to 25% (as in SB 2257), restaurateurs will be able to redirect the savings to the non-tipped kitchen staff. Please consider this approach to helping restaurateurs increase the wages of their lowest paid workers.

Sincerely,  
Norman B. Nam  
*Cinnamon's Restaurant*

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

RE: Opposition to HB2930

Chairman Sonson,

I am a small business owner who has been in the restaurant industry for 20 years. I urge you to carefully consider the effects of this bill.

Servers make \$20-\$50 dollars per hour including their wages. A one or two dollar raise to them is insignificant, as it is usually eaten up by taxes anyway.

Management usually makes less than servers, and they are generally the ones supporting a family. Kitchen staff makes min to \$20 per hour. A one or two raise to them is significant. I start my kitchen staff at \$8.50 per hour which is \$1.25 higher than min. wage.

**If you pass HB2930 you must include SB 2257 (Set tip credit at not less than 25 % of min. wage.)**

**SB 2257** will allow me to continue to give my non-tipped staff- kitchen, host, managers, the raises they need.

If the minimum wage is increased without a tip credit increase my servers will be upwards of \$20-\$40/hour while I won't be able to afford to give my other staff the raises they deserve.

They will suffer the consequences of bureaucrats rather than business owners deciding how the wages are distributed. You see as a business owner I have to balance my budget or I go out of business.

I don't think that raising minimum wage is the right move.

\$1.00 raise cost the business about \$1.20

\$1.00 raise gives the employee about \$.90

\$1.00 raise gives the social security and Medicare \$.13

Businesses will raise their prices to offset the cost.

**The money the employee received may not even make up for the inflation that was caused by the raise he/she received.**

Restaurants are currently dealing with a decrease in sales, higher

energy, supply and food costs. The result of an increase in the minimum wage at this time will have adverse affects on many small businesses already operating close to or below break even.

Without a substantial increase the Tip Credit the majority of the full service restaurant owners continue to pay 97% of the full minimum wage to employees already earning several times the minimum wage in tips. This results in reducing the employer's ability to give non-tipped positions higher discretionary pay increases. Note: Federal Law and 40 other states permit employers to pay tipped employees as much as 50% of the minimum wage, provided the employee makes more than the credit amount in tips.

By simply increasing the Tip Credit to 25% (as in SB 2257), restaurateurs will be able to redirect the savings to the non-tipped kitchen staff. Please consider this approach to helping restaurateurs increase the wages of their lowest paid workers.

Sincerely,  
Sean Corpuel  
Cool Cat Café

658 Front St. #160  
Lahaina, HI  
808-667-0908

Please feel free to contact me if you have any questions on this matter.

RE: Opposition to HB2930 by itself and especially without SB2257

Chairman Sonson,

The minimum wage in 1969 was \$1.60  
The tip credit was \$.20

Today the minimum wage is \$7.25  
The tip credit is \$.25

To stay in line with 1969 we should be at \$.90

I would not reduce the wage of my current servers, but the ability to bring in new servers at this adjusted wage would allow me to bring in non-tipped staff at a higher wage. This would not by any means even the pay scale as servers make much more than kitchen staff, but it would

allow me to give that dollar or two (if you have a 25% tip credit) to someone who would really appreciate it.

Thank you for your attention to this matter and I really hope you understand the impact of these two bills.

Sincerely,

Sean Corpuel  
Cool Cat Café  
658 Front St. #160  
Lahaina, HI 96761

808-667-0908





Randy Perreira  
President

# HAWAII STATE AFL-CIO

320 Ward Avenue, Suite 209 • Honolulu, Hawaii 96814

Telephone: (808) 597-1441  
Fax: (808) 593-2149

The Twenty-Fourth Legislature, State of Hawaii  
Hawaii State House of Representatives  
Committee on Labor and Public Employment

Testimony by  
Hawaii State AFL-CIO  
February 5, 2008

## H.B. 2930 – RELATING TO THE STATE MINIMUM WAGE

The Hawaii State AFL-CIO strongly supports the purpose and intent of H.B. 2930, which will raise the state minimum wage to \$8.00 per hour on July 1, 2008, \$8.50 on July 1, 2009 and \$9.00 on July 1, 2010. States may adopt minimum wage requirements as long as they do not reduce the requirements of the Fair Labor Standards Act.

Several states, including Hawaii, recognize that the value of the federal minimum wage has been declining and are taking steps to ensure the minimum wage in their state supports working families. Every year, state legislatures consider minimum wage increases. A significant number of states have adopted state minimum wages that are higher than the federal minimum wage of \$5.85.

A job should keep a worker out of poverty, not keep them in it. Raising the state minimum wage is necessary to help our workforce and community. The federal minimum wage has become a poverty wage instead of anti-poverty wage. A low minimum wage tells employers to pay low wages to all workers, not just workers earning the minimum.

Hawaii and the nation will not prosper in the global economy relying on low wages and outsourcing instead of innovation and opportunity. Raising the state minimum wage will help the local economy and businesses. Thank you for the opportunity to testify in support of H.B. 2930.

Respectfully submitted,

Randy Perreira  
President



**Before the House  
Labor & Public Employment Committee**

DATE: Tuesday, February 5, 2008

TIME: 8:30 a.m.

PLACE: Conference Room 309

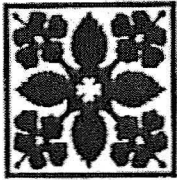
**Re: HB 2930  
Relating to the State Minimum Wage  
Testimony of Melissa Pavlicek for NFIB Hawaii**

Thank you for the opportunity to testify. On behalf of the thousands of business owners who make up the membership of the National Federation of Independent Businesses in Hawaii, we ask that you defer HB 2930. NFIB opposes this measure in its current form.

The National Federation of Independent Business is the largest advocacy organization representing small and independent businesses in Washington, D.C., and all 50 state capitals. In Hawaii, NFIB represents more than 1,000 members. NFIB's purpose is to impact public policy at the state and federal level and be a key business resource for small and independent business in America. NFIB also provides timely information designed to help small businesses succeed.

We appreciate the legislature's efforts to address Hawaii's high cost of living, but believe that raising the minimum wage at this time will only tend to contribute toward additional costs. Therefore, we respectfully ask that you defer this measure.

Thank you for the opportunity to testify.



## Hawai'i Women's Political Caucus

P.O. Box 11946  
Honolulu, Hawai'i 96828  
(808) 732-4987

Faye Kennedy  
*President*

Allicyn Hikida Tasaka  
*Vice President*

Nanci Kreidman  
*Vice President*

Carolyn Wilcox  
*Treasurer*

Pua Auyong White  
*Secretary*

Amy Agbayani  
*Director*

Diane Chang  
*Director*

Gladys Gerlich-Hayes  
*Director*

Joy Kobashigawa-Lewis  
*Director*

Alice Tucker  
*Director*

A State Chapter of the  
National Women's  
Political Caucus

February 5, 2008

TO: Rep. Alex Sonson, Chair  
Rep. Bob Nakasone, Vice Chair  
And Members of the House Committee on Labor &  
Public Employment

FROM: Faye Kennedy  
President, Hawaii Women's Political Caucus

RE: HB 2930 Relating to the State Minimum Wage  
(February 5, 2008 at 8:30 a.m. Room 309)

POSITION: SUPPORT

Good morning Chair Sonson, Vice Chair Nakasone, and Members of the House Committee on Labor & Public Employment. My name is Faye Kennedy and I am submitting testimony as President of the Hawaii Women's Political Caucus in support of HB 2930 Relating to the State Minimum Wage.

HB 2930 increases the state minimum wage to \$8 beginning July 1, 2008; to \$8.50 beginning July 1, 2009; and to \$9 beginning July 1, 2010.

Continued increases in the state's minimum wage is in line with the high cost of living in Hawaii. A major reason for Hawaii's high cost of living can be attributed to its high cost of housing and low income. For instance, in 2005, Hawaii ranked #10 out of 47 states surveyed in the Coldwell Banker Home Price Comparison Index, for having the most expensive housing market based on a 2200 sq. ft. single family dwelling with 4-bedrooms, 2.5 baths, family room and a 2-car garage in a corporate middle-management neighborhood. Hawaii ranks #47 – bottom of the list—for the most affordable housing market. Hawaii's 2004 per capita personal income of \$32,606 ranked 20<sup>th</sup> in the United States, below the national average of \$33,041 (*US Dept of Commerce, Bureau of Economics Analysis, BEARFACTS*). The rising costs of food, health care and land availability also contribute to Hawaii's high cost of living. Women traditionally work 2-3 jobs compared to a man's one job. Women still earn less than men with the same education, skill and experience.

The Hawai'i Women's Political Caucus was established in 1981 and is a multi-partisan organization committed to increasing women's participation in the political process and increasing their representation in elected and appointed office. HWPC also supports male candidates committed to its goals. HWPC is dedicated to equality in employment, stopping all violence against women, and improving the health and well-being of women and families. Reproductive freedom is one of our most fundamental issues.

On behalf of the Hawaii Women's Political Caucus, I urge your Committee to pass this legislation. Thank you for the opportunity to submit this testimony in support of HB 2930.