



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Fifth Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association
February 5, 2010

H.B. 2169, H.D. 1 – RELATING TO
EMPLOYMENT SECURITY

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO conceptually supports the proposal to mitigate increased unemployment tax rates for private employers in the current economic downturn. We are certainly sympathetic to the difficulties faced by many employers in today's economy.

However, we urge a cautious and thoughtful approach when considering the phasing in of increased unemployment rates, with an eye to the long-term impacts on future unemployment benefits. Rebuilding and strengthening fund reserves in the future are important considerations in adjusting employer contribution rates. Making short-term decisions regarding employer contribution rates, without understanding the consequences of those actions, may require further fixes to address the adequacy of the reserves and the burden to employers.

The important safety net provided by benefits to unemployed workers must not be jeopardized in the pursuit of short-term relief for employers.

Thank you for the opportunity to testify on the consideration of H.B. 2169, H.D. 1.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director



Randy Perreira
President

HAWAII STATE AFL-CIO

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Telephone: (808) 597-1441

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The Twenty-Fifth Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Finance

Testimony by
Hawaii State AFL-CIO
February 5, 2010

H.B. 2169, HD1 – RELATING TO EMPLOYMENT SECURITY

The Hawaii State AFL-CIO supports the intent of H.B. 2169, HD1 which sets, for calendar year 2010, the employer contribution rate at schedule D and the wage base at 90 percent of the average annual wage and sets, for calendar year 2011, the employer contribution rate at schedule G. Retains the maximum weekly benefit rate beginning 01/01/2011 at 75 percent of the average weekly wage, authorizes special assessments upon employers to pay the interest costs on loans received from the U.S. Secretary of Labor, requires the department of labor and industrial relations to conduct rate assessments every six months beginning in 2012, and establishes for recalculation of the adequate reserve fund beginning in 2011.

No one can deny the difficulties many are facing including businesses during these trying economic times. Thousands of workers have lost their jobs and a number of businesses have had to close or significantly downsize just to remain profitable. As of January 2010, Hawaii has had a 7 percent unemployment rate and the United States has had a staggering 10 percent unemployment rate and the sad truth is, those numbers may continue to increase.

Due to the higher than normal unemployment rates and the passage of ACT 110, Hawaii is now facing the reality that their unemployment fund will become insolvent in the near future. As a result, Hawaii must now figure out various ways to keep the fund solvent while continuing to pay the unemployment to the thousands of unemployed workers who desperately need the money to pay their bills, feed their families, and even patronage our many small businesses that exist in Hawaii. It may be slightly complicated, however, it is critical that benefits are not reduced and the bill is not rushed to ensure our unemployed can continue to survive in a state that already has higher than normal costs.

That Hawaii State AFL-CIO is pleased that H.B. 2169, HD1 retains the maximum weekly benefit and we urge that it continues to do so. The Hawaii State AFL-CIO opposes any amendments that would reduce benefits to those already struggling.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President

The Twenty-Fifth Legislature
Regular Session of 2010

HOUSE OF REPRESENTATIVES
Committee on Finance
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

State Capitol, Conference Room 308
Friday, February 5, 2010; 1:30 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 2169, HD1
RELATING TO EMPLOYMENT SECURITY**

H.B. 2169, HD1 is an attempt to address the concerns raised by employers who are fearful of huge contribution increases that may be coming as a result of the rapidly diminishing Unemployment Insurance Trust Fund. HD1 provides for the contribution rate at Schedule D in 2010 with the wage base at 90% of the average annual wage and at Schedule G in 2011 with the maximum weekly benefit remaining at 75% of the average weekly wage beginning 1/1/2011. HD1 also authorizes special assessments upon employers to pay any interest costs on loans from the federal government and requires the Department of Labor and Industrial Relations to conduct rate assessments every six months beginning in 2012 with a recalculation of the adequate reserve fund from 2011.

The ILWU is not unsympathetic to the concerns of employers that a hefty increase in the UI contribution this year could pose a substantial financial burden and possibly affect jobs. However, we are also concerned about the future adequacy of the UI Fund and the potential need for financial support to thousands of workers who may be affected by a continually lagging economy. Without these unemployment benefits, workers could find themselves unable to support themselves and their families, unable to pay for their housing, and unable to contribute to restoring the economy.

Two years ago, employers received a tax break when the Legislature authorized reducing contributions into the Fund. No one expected the drastic downturn in the economy that swiftly drained the Fund, now requiring a huge increase in contributions this year. Some may say the reduction itself was not prudent, but we would be compounding our problems going forward if we do not exercise prudence now and refrain from tax relief without knowing its full impact.

While we are not in a position to evaluate which UI schedule is appropriate to meet the State's needs, we understand that some adjustments may need to be considered. Our members work for employers who are feeling the economic pinch and may not be able to afford the increased contributions.

We also strongly support maintaining the maximum weekly benefit at 75% of the average weekly wage. Workers who have been laid off in the past couple of years have been higher wage earners and could benefit from a higher weekly maximum.

Finally, we are concerned that applying the Act retroactively to January 1, 2010 may create a flaw that those opposed to the bill may exploit.

Thank you for the opportunity to share our views and concerns on this important matter.



Activities & Attractions Association of Hawaii
PO Box 598, Makawao, Hawaii 96768
(808)871-7947 Main (808)877-3104 Fax

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Mahalo for this opportunity to testify, my name is Toni Marie Davis. For the last 12 years it has been my honor to serve the activity & attraction industry of Hawaii through my position as the Executive Director of the Activities & Attractions Association of Hawaii.

I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. Appreciate this Bills tax assistance and therefore A3H supports HB 2169 HD1 with amendments as suggested by the Hawaii Chamber of Commerce.

- Lower the schedule to another level in 2011
- Hold Tax rate schedule D in 2010
- Permanently set the taxable wage base at 90%
- Set the adequate reserve multiplier at 1.0

Our association membership represents a diverse cross section of Hawaii Businesses. Several of our members have over 100 employees, while others have less than 5 and everything in between. ALL OF THEM are just holding on financially through these challenging economic times. Visitor numbers to Hawaii may provide hope to others in the tourism industry, but what is impacting our members is not that they aren't coming but they are NOT spending.

Mahalo for this opportunity to submit testimony. If you have any questions, please contact me at (808)871-7947 ext. 803 or 1-800-398-9698 ext.803.

Toni Marie Davis

Toni Marie Davis/Executive Director
Activities & Attractions Association of Hawaii

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Vivian Landrum, President/CEO of the Kona-Kohala Chamber of Commerce (KKCC). KKCC represents over 550 business members and is the leading business advocacy organization on the west side of Hawai'i Island. KKCC also actively works to enhance the environment, unique lifestyle and quality of life in West Hawai'i for both residents and visitors alike.

Mahalo for the efforts of HB 2169 HD1 as it offers a plan to help mitigate the impending unemployment tax increase. However better incremental tax assistance is needed for our businesses. The impending unemployment tax increase, as outlined by Act 110 in 2007, will add another burden to an already struggling business community. Help is needed from the Legislature to allow the business sector time to stabilize and begin building again. The implementation of the current tax increase structure will force businesses to again look at labor cuts, a move that is contradictory to what is needed to help stabilize our economy. HB 2169 HD1 can pave the way for a more comprehensive and longer term solution.

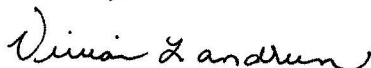
We support amendments to this bill to moderate the impact of a tax increase on businesses for at least a two year period. We encourage holding the taxable wage base to 90% of the average annual wage plus implementing a revised one year formula to determine adequate and prudent reserve funds to reduce the impact and in effect save jobs. Specifically, amend the bill by holding the tax rate schedule to D in 2010 and F in 2011 and maintain the adequate reserve multiplier at 1.0.

We believe these amendments are necessary to assist in a faster economic recovery and save jobs versus the current language in HB 2169. Businesses will be better equipped to plan expenses several years out with a schedule that is transparent and anticipated. Borrowing from the federal government, with an established payback agenda will help alleviate the costs.

As our business community focuses on "surviving the recovery" it is imperative for action to be taken quickly to minimize further job, wage and benefits reductions. We believe HB 2169 HD1, with amendments is needed.

Mahalo for the opportunity to submit our testimony. I can be reached at 808.329.1758.

Sincerely,



Vivian Landrum
President/CEO



Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair
Committee on Finance

HEARING Friday, February 5, 2010
 1:30 pm
 Conference Room 308
 State Capitol, Honolulu, Hawaii 96813

RE: HB2169, HD1, Relating to Employment Security

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii. The retail industry is the one of the largest single employer in the state, employing almost 23% of the labor force.

RMH supports HB2169, HD1 and very much appreciates the initiative and the efforts of the Legislature to address the impending Unemployment Insurance tax increase in a very timely manner. We would like to suggest **two amendments**.

We recognize that the unemployment safety net is critical to our labor force; we are committed to maintaining benefits and restoring the health of the UI Insurance Program. Although **HB 2169, HD1** mitigates the initial impact of the increase, we respectfully ask your consideration of the provisions in HB2201, developed via a consortium of business entities, which strike a balance between relief and restoration of the fund. **Holding the tax rate at schedule F and the wage base at 90% of the annual average wage in 2011** will help stabilize our businesses, maintain our labor force, budget accordingly, and hasten economic recovery.

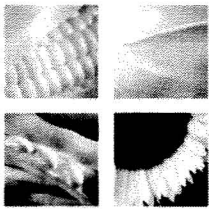
Since the economic downturn, retailers have made serious efforts to contain employment costs through across-the-board wage and salary reductions, while keeping benefits intact. Marketing, advertising and travel budgets have been cut; basic operating expenses remain fixed or have increased.

Sales revenues are down. GET reports for Fiscal Year 2009 from the Department of Taxation indicate an almost \$2 billion decline in retail sales from the previous year. Sales for the first three months of this current fiscal are almost three quarters of a billion dollars lower than last year. Holiday figures are not available; early reports ranged from flat to double-digit decreases.

Thank you for your consideration and for the opportunity to submit testimony. I look forward to continued dialogue to craft legislation to resolve this issue.

Carol Pregill, President

RETAIL MERCHANTS OF HAWAII
1240 Ala Moana Boulevard, Suite 215
Honolulu, HI 96814
ph: 808-592-4200 / fax: 808-592-4202



Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony By: Alicia Maluafiti

HB 2169.HD1(HSCR47-10), Relating to Employment Security

The House Committee on Finance

Friday, February 5, 2010

Room 308, 1:30 pm

**HCIA 2008-2009
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Past President

Sarah Stryan

Executive Director

Alicia Maluafiti

Position: Support with Amendments

Aloha Chair Oshiro, Vice Chair Lee and members of the Committee:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association. HCIA is a nonprofit trade association representing the agricultural seed industry in Hawaii. Now the state's largest agricultural commodity, the seed industry contributes to the economic health and diversity of the islands by providing high quality jobs in rural communities, keeping important agricultural lands in agricultural use, and serving as responsible stewards of Hawaii's natural resources.

HCIA appreciates the efforts made by the chair, vice chair, and the committee in addressing the unemployment insurance tax increase. We support HB 2169 and HB 2207 with the amendments proposed by the Chamber of Commerce of Hawaii which can be found in HB2201.

HCIA supports reducing the impact of the tax increase on average and small businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases. This will help businesses better anticipate and plan for expenses over a longer period of time.

Although the current draft of the bill provides some tax assistance, HCIA believes that lowering the schedule in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions. To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

Mahalo for the opportunity to comment.

BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

94-487 Akoki Street
Waipahu, Hawaii 96797

February 5, 2010
Representative Marcus Oshiro, Chair
Committee on Finance
State Capitol, Roomn 308
Honolulu, HI 96813

RE: HB2169, HD1 "Relating to Employment Security"

Chair Oshiro and Members of the Committee on Finance:

The Building Industry Association of Hawaii's (BIA-Hawaii) members appreciate the intent of HB2169, HD1, "Relating to Employment Security" The past two years since the collapse of Aloha Airlines and other businesses have seen dramatically reduced revenues for business and by extension tax revenues for government, and 2010 is likely to continue both trends. The intent of this bill is to provide modest short-term relief to employers, who will eventually be required to make the deferred payments plus additional fees and interest as required by the Federal Government.

HB 2169, HD1 provides for only one year of temporary relief for employers while making permanent the 75% of average weekly wage benefit. We contend that one year's relief is not adequate to help employers recover from the financial downturn. Employers will be left with the increased costs going forward, while the economic outlook remains uncertain for the foreseeable future. It is simply imprudent to increase the expenses on an insolvent fund while many employers' gross revenues continue to decline. We believe there should be greater effort to reduce the 75% to 70% as it was before Act 110.

We support the Department of Labor's proposal of relief for 4 years and a reduction of the average weekly wage to 70%. At minimum, we would like to see adoption of the Chamber of Commerce's proposal that calls for two years of meaningful decreases in the annual tax per employee.

Thank you for the opportunity to share our views with you.

Karen I. Nakamura



**HAWAII HOTEL & LODGING
ASSOCIATION**

2270 Kalakaua Ave., Suite 1506
Honolulu, HI 96815
Phone: (808) 923-0407
Fax: (808) 924-3843
E-Mail: hha@hawaiihotels.org
Website: www.hawaiihotels.org



32nd Anniversary
Are You Walking???
May 15, 2010
(Always the 3rd Saturday in May)
www.charitywalkhawaii.org

**TESTIMONY OF MURRAY TOWILL
PRESIDENT
HAWAII HOTEL & LODGING ASSOCIATION
February 5, 2010
RE: HB 2169 HD1 Relating to Employment Security**

Good afternoon Chairman Oshiro and members of the House Committee on Finance. I am Murray Towill, President of the Hawaii Hotel & Lodging Association.

The Hawaii Hotel & Lodging Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 150 hotels representing over 48,000 rooms. Our hotel members range from the 2,680 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawaii Hotel & Lodging Association supports HB 2169 HD 1 Relating to Employment Security, and believe this bill can be strengthened by providing amendments to extend relief at least into 2011. We appreciate the efforts made by Chairman Rhodes to seek ways to soften the blow caused by the precipitous increase in the Unemployment Insurance ("UI") Tax scheduled to take place this year. We recognize the severity of the projected increase was caused by the magnitude of our current economic downturn and the temporary UI tax relief provided to businesses prior to the downturn. The temporary relief has actually helped businesses weather some of their economic challenges and keep people employed. We also realize the UI Trust Fund must be replenished.

As you know, a number of variables can be considered when determining the UI Tax. These include the tax rate, percentage of taxable wage base, and size of reserve ratio.

HB 2129 HD1 provides a good start in providing employers relief in 2010 and also beginning the process of replenishing the Unemployment Insurance Trust Fund. Unfortunately, we believe that businesses and the overall economy will still be struggling in 2011. A more gradual increase in UI taxes beyond 2010 will help businesses weather our current economic storm.

We propose that HB 2169 HD1 be amended to:

1. Permanently set the taxable wage base at 90% of the average annual wage. This will continue to provide some level of relief and contain costs as we move forward.
2. Use contribution rate schedule "F" in 2011.
3. Lower the UI Trust Fund Reserve Ratio from 1.25 to 1.

These changes are on average estimated to save employers approximately \$370 per employee in 2011. This is a substantial savings and will keep these funds circulating in our economy.

In summary, we support HB 2169 HD1 with further amendments that will more gradually increase the taxes paid by businesses into the Unemployment Insurance Trust Fund.

Again, mahalo for this opportunity to testify.



Ocean Tourism Coalition

The Voice for Hawaii's Ocean Tourism Industry
820 Mililani Street, #810
Honolulu, Hawaii 96813
(808) 205-1745 Phone (808) 533-2739 Fax
office@oceantourism.org

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is James E. Coon, President of the Ocean Tourism Coalition. The OTC represents over 300 small ocean tourism businesses state wide. We appreciate the efforts being made by the Legislature in addressing the employment insurance tax increase. I support HB 2169 HD1 with amendments.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-870-9115.

Sincerely,

James E. Coon, President

HMSA



Blue Cross
Blue Shield
of Hawaii

Member of the Blue Cross and Blue Shield of Hawaii

February 5, 2010

The Honorable Marcus Oshiro, Chair
The Honorable Marilyn Lee, Vice Chair

House Committee on Finance

Re: HB 2169 HD1 – Relating to Employment Security

Dear Chair Oshiro, Vice Chair Lee and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 2169 HD1.

As you know, the economic downturn has had a negative effect on many Hawaii businesses, and the unemployment insurance tax has further exacerbated the difficulties businesses are facing.

We believe this legislation will help alleviate some of the tax burden placed on Hawaii's businesses and help ensure their lasting viability as well as preserve jobs. As such, we respectfully request the Committee pass this measure.

Thank you for the opportunity to testify in support of HB 2169 HD1.

Sincerely,

Jennifer Diesman
Vice President
Government Relations



MOLOKAI CHAMBER OF COMMERCE

P.O. Box 515
Kaunakakai, HI 96748

T 808 553 4482

molokaichamber@hawaiiintel.biz

www.molokaichamber.org

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Robert Stephenson and I am the President of The Molokai Chamber of Commerce which represents over 100 businesses that employ hundreds of people on the island of Molokai. We appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. We support HB 2169 HD1 with amendments.

This increase has already prompted many of our local businesses to reduce their staff and will prove problematic to every business trying to survive in these lean economic times.

Although the current draft of the bill provides some tax assistance, We feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at my office.

Sincerely,

Robert Stephenson, President
808 553 4482
rob@molokaivoice



**Testimony to the House Committee on Finance
Friday, February 5, 2010
1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee 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 fully supports the efforts of this Legislative body in preserving jobs and work for our community.

The pending legislation, HB 2169 HD 1 is an appropriate first step in addressing an unprecedented tax increase on Hawaii employers that would put an over 5,000 more employees out of work. However, because the Chamber believes significant relief in 2011 is critical to saving jobs, we respectfully request that the committee amend the bill to reduce the tax rate to Schedule F rather than G in 2011 and to set the taxable wage base at no more than 90%.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

Unless every effort is made to mitigate the impact on jobs, a dramatic tax increase over the next few years, the largest ever in Hawaii or in the United States, will likely lead to more loss of jobs, more business failures, a weakening of any recovery and a further depletion of the unemployment trust fund. The non-profit and non-partisan organization, Urban Institute, has noted in review of our situation that the high tax rate schedules in store for the next few years have not been operative for more than 30 years and that increased taxes will increase unemployment, but the magnitude is uncertain.

Three years ago this body could not foresee the worldwide recession that was coming in the last quarter of 2008. That recession has depleted an unusually rich trust fund and triggered the repeal of legislation that reduced the taxable wage base that provided nearly \$100 million in stimulus monies into the state economy and arguably provided a small cushion to what could have been a much worse economic impact on Hawaii. Even if Act 110 had not been enacted, employers would still be facing a tax increase to Schedule F as over \$570 million in benefits were paid out in the past two years.

The result is that our Unemployment Trust Fund will be replenished with employer dollars that takes needed wages and purchasing power out of the economy. Some of these payments must be used to fund current benefits and some used to replenish the Fund. The issue for the business community is how can we replenish the Fund and avoid the negative impact on jobs?

The Chamber believes its option to extend a reduced tax rate schedule into 2011 and hold the Taxable Wage Base to 90% reduces the tax shock and helps preserve and create jobs. The Chamber's proposal, HB 2201, keeps \$105 million more in the economy during 2011 than HB 2169, HD1, which will then be spent and generate increased tax revenues for the State. Only one other state, Idaho, taxes 100% of the AAW and its TWB is much lower than Hawaii. At 90% of the AAW it is estimated employers will still pay tax on the first \$34,900 of wages per employee rather than \$38,800. We urge this Committee to amend HB 2169 HD 1 to extend the period of tax relief for all employers, and those especially hit hard by the recession who have had to make significant reductions in personnel and as a result may be at the maximum tax rate under any proposal.

1. Reducing the Taxable Wage Base (TWB) to 90% does not affect the Tax Rate Schedule for anyone.
2. Small businesses are just as likely to benefit from a reduction in then TWB as large employers.
3. A 5 employee accounting firm paying the average tax rate in 2009 (2.75%) with that lays off 1 employee in 2009 who collects maximum benefits for 26 weeks (\$14,000) will push that employer under schedule F to a 5.0% tax rate. A tax break for wages over \$34,900 (90% of AAW in 2010) is a modest savings for even a small company like this example..
4. The difference between the 100% AAW and 90% does not result in any significant delay in replenishment to the Fund but does provide significant tax relief per employee. For example, in 2011, $5.4\% \times \$3,900 (39,100 - 35,200) = \210 per employee in 2010.
5. While many small businesses do not pay wages greater than the Average Annual Wage, many do. That is how you get an "average" annual wage.
6. Many large businesses do not pay many of their employees more than the AAW either, e.g., restaurants, fast food...
7. The AAW is roughly equal to \$17.50 and hour full time. According to the Hawaii Employers Council wage survey, this is below what most cooks, tractor trailer drivers, clerks, secretaries and cashiers made in 2009.

8. Our version of Tax relief for those at the maximum tax rate is less than half the relief for an average business in 2010 and 2011.
9. Without a TWB reduction, the economy will lose the \$100 million over the next 2 years that will circulate in the economy and provide additional tax revenues to the state.
10. Without holding the TWB to 90%, those hardest hit by the economy will not see any relief in their taxes, and will get hit the hardest by the increase even if the TWB is 90%.
11. The industries that have suffered most during this recession have been construction and hospitality, both heavily unionized and both necessary engines for growth in the coming years.

The Chamber and its members support legislation that would authorize the Director of the Department of Labor and Industrial Relations to assess employers to pay any interest incurred to maintain benefits to unemployed workers in the state by borrowing from the federal government. However, we suggest that the language from HB 2210 be considered in place of that in Section 1 of HB 2169, HD 1. There is existing monies paid by employers within the DLIR sufficient to pay this debt, but should there not be, employers would be taxed sufficient to pay this expense.

It is critical to our employees, workers and business owners to mitigate the impact of an unprecedented tax increase by gradually bringing the Trust Fund back to adequate reserve levels without imperiling a fragile economy, causing greater job losses and possible business failures.

We urge the Committee to adopt the amendments suggested by HB 2201 supported by the Chamber of Commerce which adjusts the Tax Schedules to F in 2011 and keeps the TWB at 90%.

Thank you very much for the opportunity to testify and for your hard work in coming up with legislation that is important to employers, employees, and the economy and for your efforts in fast-tracking a bill.

MAKANA CHARTERS & TOURS, INC.
P.O. Box 434
Waimea, HI 96796
(808)335-6137 Main 1-808-443-0881 eFax

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Mahalo for this opportunity to share my concerns; my name is Mary Robinson. I am the manager of Makana Charters & Tours, Inc., a Na Pali Coast sightseeing and snorkel tour cruise. This is a small company that prides itself in providing a family based personal tour. Our high customer return rate, when tourism and the economy was doing well, proved our aloha is unmatched.

The company currently employs four workers. From the onset of this economic down-turn this small business has taken a huge financial hit. Any increase to our operating cost will absolutely have a negative impact on the company's future.

I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments as suggested by the Hawaii Chamber of Commerce.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

If you have any questions, please contact me at 808-335-6137.

Mary S. Robinson

Mary S. Robinson
Manager
Makana Charters & Tours, Inc.



Liko Kauai Cruises, Inc.
P.O. Box 18
Waimea, HI 96796
(808)338-0333 Main 1-808-443-0881 eFax

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Mahalo for this opportunity to share my concerns; my name is Mary Robinson. I am the owner/manager of Liko Kauai Cruises, Inc., a Na Pali Coast sightseeing and snorkel tour cruise. I currently have seven (7) employees. 5 of the 7 employees have been with the company for over 10 years.

Within the last year, I sadly had to layoff two office employees with the hope it was only temporary. I also needed to make customer service alterations to keep the business operating. In the last 15 years of business, this is by far the worst financially and as I see it, the near future holds little promise of improvement. At this time, any increase to our operating cost would have a devastating impact on our sustainability.

I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments as suggested by the Hawaii Chamber of Commerce.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

If you have any questions, please contact me at 808-338-0333.

Mary S. Robinson

Mary S. Robinson
Owner/Manager
Liko Kauai Cruises, Inc.

February 4, 2010

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Catherine Bowen and I work with Vantaggio HR, Ltd., a full-service HR Consulting firm. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

I have worked in human resources for over 20 years - with 13 of those in Hawaii. We work with many businesses throughout the State of Hawaii. While we all enjoyed the unemployment tax relief over the past few years, the imminent and dramatic increase to businesses - both big and small couldn't seem to come at a more inopportune time. I know that it is a very challenging time for our State in terms of trying to get through these difficult economic times and make good fiscal decisions - for the long term. Working with so many businesses here in Hawaii, I know they are very concerned, and some afraid, of what the unemployment tax increase will do to the cost of doing business here. Many of these businesses are locally owned and operated and they just need to get through this recession - as intact as possible. We are hardy stock here in the islands and we will get through whatever we have to. The challenge faced is how to possibly "spread the pain" over a longer period. At the same time we don't want to make a decision now on the unemployment tax that we will regret in 2011. Your careful consideration of additional amendment language is so appreciated.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at:

Catherine Bowen, HR Consultant
Vantaggio HR, Ltd.
222 Papalaua Street, Suite 207
Lahaina, HI 96761
(808) 661-3614
cbowen@vantaggiohr.com



2290 Alahao Place #402 / Honolulu, Hawaii 96819
(808)845-3149 (ofc) / (808)847-3148 (fax) / www.amvair.com (url) / aldrin@amvair.com (E mail)

February 4, 2010

House of Representatives
Committee on Finance

Re: HB2169 – Testimony Relating to Unemployment Insurance Fund

Aloha Lawmakers,

The recent abrupt shut down of The Hungry Lion on Oahu as well as many other business's is just the start of what is soon to be on ongoing trend in Hawaii, if the Democrats decide to raise our taxes more business's will be forced to shut down. This Unemployment Insurance Tax will kill business's that are already suffering from a 20-40% loss in revenue for the past two-three fiscal years.

The true fact of the matter is this Unemployment Insurance Fund needs to be replenished. How the State of Hawaii Lawmaker decide on the details as to how we all will replenish this fund will be at the hands of our Democrat Majority lawmakers. I do understand the problem is compounded the longer we take to replenish the fund, but if business can't afford to pay the fund in its current proposed time limit, then the State of Hawaii could lose the only source of repayment of these funds once a business owner decides to shut down their operations rather choose to pay into the fund. Then on the other hand if we rob money from the Federal Government for assistance, that fund eventually needs to be paid back, unless we all start thinking like President Obama, by printing and giving money away like it grows on trees with no understanding of the consequences of his actions.

As it currently stands: Karl Rhoad's plan that is on the table now is one year of relief for employers with the average annual tax per employee at \$630 in 2010 and at \$1,290 per employee in 2011. The maximum weekly benefit amount is permanently set at 75%.

As a member of BIA Hawaii, I am requesting that you support a decrease in the average annual taxes per employee for a (4-year period) as proposed by the Department of Labor and a reduction of the weekly benefits to 70% of the average weekly wage.

Respectfully,

Aldrin M. Villahermosa, President
AMV Air Conditioning Inc.

cc: Ami D. Villahermosa, Vice President – AMV Air Conditioning Inc.



Four Winds II & Maui

Magic

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Mary Jane Caldwell and my company is Maui Classic Charters, Inc., which employs 27 individuals. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Our company has been trying its best, and so far with success, not to let any of our employees go during this downturn in the economy. However, the proposed dramatic increase in the Hawaii Unemployment Tax rate could force us to terminate at least one position. We feel that our employees are like family and it would be devastating for us to let one of them go. To compound the problem, that individual would no doubt have a difficult time finding another job here on Maui, and would have to further deplete the State Unemployment Insurance Funds by going on Unemployment.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at the address or phone number below.

Sincerely,
Mary Jane Caldwell
Vice President



est. 1947

Hawaii Restaurant Association

1451 South King St. Suite 503
Honolulu, HI 96814
www.hawaiirestaurants.org

Phone: 808.944.9105
Fax: 808.944.9109
hra@hawaiirestaurants.org

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Ashford & Wrieton

Executive Director Gail Ann Chew

February 4, 2010

Testimony **Requesting Amendments to HB 2169 HD1** - 2/5/10 FIN 1:30
p.m. Rm 308

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

The HRA appreciates the legislature's efforts to expedite unemployment tax relief, but respectfully **requests amendments to HB 2169 HD1**. Simply stated, we need more than one year to absorb the huge jump in rates.

We acknowledge that rates will be rising, but we urge this committee to help enact a more incremental rise in rates so businesses will be able to prepare and budget for the increase in rates. In a recent survey of our members, more than 75% said they would need to take drastic measures if they are suddenly forced to contend with a drastic jump in unemployment insurance tax rates.

These drastic measures include limiting hiring, reduction in work opportunity for employees, layoffs of employees, or outright business closure. Ultimately, more workers will file for unemployment, which would further deplete the state's unemployment fund exacerbating the current problem. Ironically, the very effort to rebuild the state's unemployment fund would lead to the exhaustion of the fund.

An industry with over 3,500 locations directly employing over 82,000 dedicated people, Hawaii's restaurants are a cornerstone of Hawaii's economy and must be kept solvent. Many of those employed in the industry include new immigrants and those who are starting in the workforce. Yet these are the individuals that would be most affected by layoffs or reduction in hours that would be triggered by a huge spike in the unemployment tax rate.

In closing, the Hawaii Restaurant Association **requests amendments to HB 2169 HD1** to extend the relief in rates beyond 2010 to save jobs and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Very truly yours,

THE HAWAII RESTAURANT ASSOCIATION

By: Bryan P. Andaya

**Testimony to the House Committee on Finance
Friday, February 5, 2010, 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Deanna L. Spooner and my company is Cyanotech Corporation, an algae grower and human nutraceutical manufacturer with 66 employees on the Big Island. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

We are a 25 year company here in Hawaii trying to grow in a difficult economy. We had hoped to be able to add additional employees in our upcoming fiscal year which runs April 1, 2010 through March 31, 2011 and for which we are currently completing our fiscal year budget. The impact of this change in SUI taxes will likely negate our opportunity to add to our workforce. We estimated that based on the combined impact of increasing the base wage and changing the tax Schedule is equal to three entry level positions for the company. This means either we eliminate expansion plans and/or reduce staff, depending on how other economic factors impact our overall budget. This tax increase is only one of many economic pressures our business is dealing with in this current down economy.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at dspooneer@cyanotech.com or 808-334-9498.

Sincerely,

Deanna L. Spooner
Chief Financial Officer

Audio Visual Services

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Heather Bailey and my company is Audio Visual Services Hawaii, Corp. with 5 employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The increase will impact my business. We have the potential to add an employee this year but with the additional costs, I am waiting the final decision of this bill to ensure it is financially feasible. It will also impact employee compensation.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-331-8403.

Heather Bailey
Heather Bailey

President



1654 South King Street
Honolulu, Hawaii 96826-2097
Telephone: (808) 941.0556
Fax: (808) 945.0019
Web site: www.hcul.org
Email: info@hcul.org



Testimony to the House Committee on Finance
Friday, February 5, 2010 at 1:30 pm

Testimony supporting the intent of HB 2169, Relating to Employment Security

To: The Honorable Marcus Oshiro, Chair
The Honorable Marilyn Lee, Vice-Chair
Members of the Committee on Finance

My name is Stefanie Sakamoto and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for over 90 Hawaii credit unions, representing approximately 810,000 credit union members across the state.

We support the intent of HB 2169, and appreciate the efforts of the Legislature to address the impact of the unemployment tax increase on Hawaii's businesses. However, we respectfully ask that every effort be made to spread out the unemployment tax increase over time, so as to minimize the "tax-shock" to Hawaii's credit unions. An immediate tax increase could severely impact our ability to provide low-cost services to our members.

Thank you very much for the opportunity to testify.



**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Peter Amelotte and my company is Aloha Insurance Services, Inc which employs 22 people. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The fact is if the employment tax increase is implemented, my company would be forced to lay-off individuals, increasing the unemployment rolls, that we need to operate simply because there is not enough money to pay the increased tax. The existing employees will be asked to do more in their already over worked job duties.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at Aloha Insurance Services, Inc, (808) 334-4076 or email at peter@alohains.com.

Thank you for your consideration.

A handwritten signature in black ink that reads "Peter Amelotte". The signature is written in a cursive, flowing style.

Peter Amelotte, LUTCF, LTCP



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**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Linda Lee Anthony and my company is Shell Management Hawaii, Inc. We are a vacation ownership/association management company with 300 employees at 5 locations and eleven associations throughout the Big Island, Oahu and Kauai. We were just notified that we have been recognized for the fourth year in a row as one of The Best Places to Work in Hawaii, an award based on a combination of employee satisfaction and exemplary business practices. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Shell Management Hawaii, Inc. has been closely following the Unemployment Insurance debate as it has the potential to have a significant impact on the financial stability of our managed associations. We have run the numbers from best case to worst case scenarios, not knowing how our experience factor will affect any eventual tax increase. Across all of our five resorts and regional office locations we paid a combined amount of \$12,000 in Unemployment Insurance for 2009. Based on the proposed tax increase, under the best case scenario that amount would go to \$101,000 in 2010. Under the worst case scenario, it would go to \$450,000.

Due to economic conditions in 2009 Shell Management Hawaii, Inc. made the difficult decision to freeze all employee increases, both merit and CPI. Due to the sacrifices made by our 300 team members, all eleven of our managed associations were able to end 2009 in the black. As economic uncertainties continue we have again frozen any increases in 2010. The uncertainties we face include historically high owner delinquencies in maintenance fee payments (primary source of association revenue); utility rate instability due to petroleum costs again creeping up; anticipated increases in Unemployment Insurance; and possible increases in property taxes (paid by our association members through their maintenance fees) due to reallocation of TAT taxes from the County to the State.

Shell Vacations Hospitality
d/b/a Shell Management Hawaii, Inc.
75-5706 Kuakini Hwy, Suite 101 Kailua-Kona, HI 96740
Telephone 808.327.1280 • Facsimile 808.331.0642
www.ShellVacationstohospitality.com



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Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit this testimony. If you have any questions, please contact me at lanthony@shellvacationsllc.com, (808) 327-1280, ext. 234; 75-5706 Kuakini Highway, Ste. 101, Kailua-Kona, HI 96740.

Sincerely,

Linda Lee Anthony
Regional Vice-President
Shell Management Hawaii, Inc.

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Patrick Naughton and I am the executive director of Hilo Rite Care Center, a nonprofit providing tutoring for children with specific learning disabilities such as dyslexia. We have one full-time and five part-time employees (3.5 FTE). I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The proposed unemployment insurance tax increase will have an immediate impact on the Hilo Rite Care Center as it will put us out of business. We are on a very tight budget with almost 90 percent of our funding coming from existing tuition and fees which cannot be increased. Our closure will of course immediately impact our employees but more importantly this means there will be no nonprofits left in East Hawai`i to provide tutorial assistance to students with specific learning disabilities. This is especially critical because one of the two for-profit tutorial firms – Sylvan – just closed its Big Island operations at the end of December 2009.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses and nonprofits plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the “tax shock” and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses and nonprofits. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and nonprofits as well as spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-961-4625 or via e-mail (contact@hiloritecarecenter.org).



**Testimony to the House Committee on Finance
Friday, February 5, 2010
1:30 p.m.
Conference Room 308**

SUPPORTS WITH AMENDMENTS

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

ProService Hawaii provides employee administration services to over 900 small businesses in Hawaii. We appreciate the efforts of this legislative body in mitigating the unemployment insurance tax increase. An increase of over 1000% would result in over 5,000 additional lost jobs and would put further strain on this state's recovering economy.

ProService supports the intent of HB 2169 HD1 to provide unemployment tax relief to our local businesses, and requests this Committee to amend these bills to include provisions proposed in HB 2201 that set the taxable wage base (TWB) to 90% of the Average Weekly Wage (AWW) and adjust the adequate reserve multiplier to 1.0 rather than 1.25. ProService also urges this Committee to reduce the tax schedule for 2011 to Schedule F rather than G. Since 1992, when the current unemployment contribution tax schedule was enacted, the tax schedule has never been above Schedule D, even during periods of relative economic growth. We believe that an increase to Schedule F in 2010 would place a burden on Hawaii employers that would be difficult to bear without further cuts in employment levels.

We also ask this Committee to permanently set the taxable wage base to 90%, beyond tax year 2010. Finally, ProService opposes the provisions in this bill that establish semi-annual tax schedule notifications beginning in 2012, as it will impose further administrative burdens on both the administration and on employers.

ProService has performed an extensive analysis of the current law, and the various bills intended to provide UI Tax relief (i.e., HB2169 HD1, HB2201, and HB2207). **While all three of the proposals provide tax relief to businesses, ProService believes that reducing the TWB to 90%, combined with fixing the tax schedule to D in 2010 and F in 2011 will sufficiently extend the period of tax relief, without impacting unemployment benefits to claimants.**

Reducing both the TWB and the Schedule provides relief to the broadest cross-section of the state's economy. Reducing the TWB alone will provide relief to those employers who have been hardest hit by the economic recession, but only to the extent that their employees' wages exceed the TWB. Reducing the Schedule alone will provide relief to employers with average reserve balances, but not those employers hardest hit by the recession. These employers in construction, retail and hospitality (hotel) industries are central to Hawaii's future economic growth. Many employers paying the maximum tax rate of 5.4% will continue to pay the maximum rate.

We understand concerns that the relief afforded the employers paying the maximum tax rate of 5.4% may unfairly shift the tax burden to lower-utilizing employers. However, based on our analysis, all employers will benefit from an approach that combines a change in Schedule with a change in TWB (see table below).

2011 Schedule	2011 TWB	Annual Tax Savings per Employee	
		@ Average Rate	@ Maximum Rate
G	100%	\$230	\$0
G	90%	\$360	\$210
F	100%	\$440	\$0
F	90%	\$550	\$210

We also understand that the intent for establishing a semi-annual change in Schedule is to reduce the risk of multi-schedule changes in future years. We note that prior to Act 110, based on an annual computation of Schedules, Hawaii has not experienced more than a one-band change (see table below). Although we are facing a multi-band change now, ProService contends this is due to a combination of an unprecedented economic recession and the enactment of Act 110.

Years	Schedule
1996 - 2000	D
2001-2002	C
2003	D
2004-2006	C
2007	B
2008-2009 (if no Act 110)	B

We urge this committee to consider an option that temporarily reduces the Tax Rate Schedule and permanently reduces the TWB to 90% of the AWW. This hybrid approach will benefit the greatest number of employers and will therefore provide the greatest safeguards against further job losses due to the shock of a dramatic and sudden increase in unemployment taxes.

Thank you for the opportunity to submit testimony.



Meadow Gold Dairies



Testimony by: Glenn Muranaka
HB 2169hd1, Relating to Employment Security
Hse FIN, Friday, Feb. 5, 2010 – 1:30 pm
Room 308 - Agenda #1

Chair Oshiro and Members of the House Finance Committee:

My name is Glenn Muranaka, President and General Manger of Meadow Gold Dairies. Our company has been in Hawaii since 1897, providing Hawaii consumers with a variety of milk products and juices. Meadow Gold's long history has not come without effort. We continually adapt to our customers' and consumers' ever-changing needs, and we constantly evolve along with our industry, our community and our market. Over the years, this has required that we struggle, tighten our belts, innovate and work extremely hard, making us a better company in the process. The foundation of this work rests with the 350 employees that are committed to providing superior quality products.

Appreciation is expressed for the amendments in this measure. However, it still imposes large increases in a relatively short time, increasing the likelihood of increased unemployment as employers struggle to meet those payments. We strongly support lowering the schedule to another level in 2011 as it will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

We ask your assistance and support by amending the bill to hold the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 944-5911.



**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Melynda Dant and my company is Fair Wind Inc, a snorkel and dive tour company with 40 fulltime employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

As it stands now, if my company were required to pay this huge amount, we would be forced to cancel our retirement program altogether. We would need to diminish our sales staff in order to control our overhead in salaries. We also would not be hiring any new employees. While nationally, President Obama is trying to encourage job growth, we would not be able to support job growth.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-322-2644, ext. 2 or mendy@fair-wind.com.

**Sincerely,
Melynda Dant
Vice President
Fair Wind Cruises
Kona Sunrise Charters, Inc.**

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Patricia Cadiz and my company is HST, Inc. We have been providing wind sport lessons on Maui since 1986 and employ about 20 people. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Our business is not only impacted by the economy and visitor discretionary spending, we are also subject to the vagaries of the weather patterns. It has been a very difficult time for our industry. Our Maui government has recently increased our permit fees from \$50/year to \$500 and now to \$4,500 per year. All of our employees, including our owner, have second jobs because of the uncertainty of our industry. I'd like to be able to pay our hardworking employees more, but with all of the increases in expenses we my actually have to cut pay. Please recognize that small business is the vital engine that will save our economy by passing this relief legislation with the amendments.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-871-5423.



**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Kamika Smith, the General Manager and one of the family owners of Smith's Motor Boat Service, Inc. on the island of Kauai. Our family business has been in operation since 1946 and we currently directly employ 140 local Kauai residents at our family's two visitor attractions, the Wailua River Boat Tours to the Fern Grotto and a 30-acre botanical garden named Smith's Tropical Paradise where we host a luau four nights a week. We appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

We have three generations of family members working in our family business. We also consider each one of our employees as family as well. We take our responsibility to our family very seriously and have made all efforts to ensure that all of our employees are provided with as close to full employment as possible. It is our company's duty to provide our employees with the funds required to survive in our island economy. We not only feel the responsibility to our employees, but to their families as well!

In these tough economic times, we are pleased to note that we have not had to lay off any of our employees. With this in mind, we are happy to say that we have not had to request funds from the Unemployment fund so far. If the economy continues its downward trend for the rest of the year, we will most likely be forced to cut back on hours for our employees in order to survive.

Survival is the main goal at this time and to drastically increase the payment amounts to the fund will most likely impact our business greatly. We are trying to do our part in keeping everyone employed. If the cost to keep our employees working increases drastically due to our company having to pay more into the system, it would work against what the bill is trying to accomplish, that is, keeping our workers employed.

While we understand that there must be a re-funding of the fund, we feel that a more gradual increase would allow us to weather this situation.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at:

Kamika Smith
General Manager
174 Wailua Road
Kapaa, HI 96746

808-821-6882

kamikas@aloha.net

DUKE'S CANOE CLUB WAIKIKI

February 4, 2010

Testimony Requesting Amendments to HB 2169 HD1 - 2/5/10 FIN 1:30 p.m. Rm 308

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

T S Restaurants appreciates the legislature's efforts to expedite unemployment tax relief, but respectfully **requests amendments to HB 2169 HD1**. The proposed increases will place extreme pressure on our already shrinking profits as well as our ability to maintain jobs throughout our Restaurants. It will also force us and other Restaurants to increase menu pricing at a time when we are trying to rebound from the weak local economy.

We acknowledge that rates will be rising, but we urge this committee to help enact a more incremental rise in rates so businesses will be able to prepare and budget for the increase. We would also hope that you look closely at implementing these increases in such a manner as to lessen the sudden impact.

Your goal is to rebuild the fund in a responsible manner. The current bill as written will only further deplete the fund due to an increase in business closings. It will also continue to compromise the affordability of our industry.

Very truly yours,

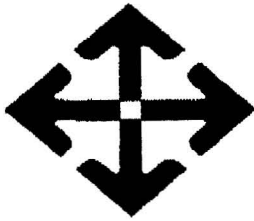
CHRIS J. COLGATE



*Oahu Regional Manager
T S Restaurants
Duke's Waikiki
Hula Grill Waikiki*

RESTAURANT AND BAREFOOT BAR

2335 KALAKAUA AVENUE, SUITE 116, HONOLULU, HI 96815 · (808) 922-2268 · FAX: (808) 923-4204



The Hawaii Business League

Century Square 1188 Bishop St., Ste 1003 Honolulu, HI 96813-3304
Phone: (808) 533-6819 ♦ Facsimile: (808) 533-2739

February 5, 2010

Testimony To: House Committee on Finance
Representative Marcus R. Oshiro, Chair

Presented By: Tim Lyons
President

Subject: H.B. 2169, HD 1 – RELATING TO EMPLOYMENT SECURITY

Chair Oshiro and Members of the Committee:

I am Tim Lyons, President of the Hawaii Business League, a small business service organization and we support this bill.

It is only a dire set of circumstances that forced the Unemployment Insurance Trust Fund into levels previously unanticipated. While it is true that employers saved some money for the last couple of years, it is not as if they held it in a trust fund and have it available in order to "make up".

Therefore, we encourage your moderation of the pay back requirements required all the employers. This is not to say that employers should not have to pay it back; this is not to say that employers should not have to pay more, all we are asking is that during this particular weak economy that you allow us the freedom to payback over a longer period of time, just as any strapped consumer would do who needed a loan and could not afford a quick pay back.

We think it would be extremely ironic if payments to the Unemployment Insurance Trust Fund are what actually causes unemployment because employers cannot afford to payback both the Trust Fund and wages to an employee. It is our employers that will likely have to pay the penalty and interest in order to borrow the money for this endeavor and we would only ask that these special assessments be in moderation so that our typical small businesses can afford them.

It is based on the above that we request your favorable adoption of this bill, although we consider it to be a "work in progress" and we are sure there are other changes that will be made as it continues through the process.

Thank you for your support.

80 :11

DANIEL THIEBAUT

RESTAURANT & CATERING

Testimony to the House Committee on Finance

Friday, February 5, 2010; 1:30 p.m.

Conference Room 308

RE: HOUSE BILL 2169 HDI RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Charles Clarke and my company is C&T Restaurants LLC. We currently have 20 employees down from 60 a year ago March. Critical positions already eliminated because we cannot pay them are bookkeeper, floor manager, sous chef, hostesses, servers, pantry cooks. I have owned tourism businesses since 1973. I know everyone. Please believe me when I tell you 2010 is already a washout for tourism and all the subsidiary businesses dependent on visitor dollars. Expect a second recessionary dip in many parts of the country and for sure in Hawai'i. The normally higher margin corporate and incentive market will continue to be weak into 2011.

I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HDI with amendments. I feel lowering the schedule to another level in 2011 will help businesses plan expenses over a longer period and minimize the impact on jobs, wage and benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 is critical because it will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at chuckclarke@ChuckClarke.com or at 808 885-8533 or 808 866 596-1121.

A hui hou.

Father of seven Hawai'i born highly educated children: 2 in Oregon, 1 in California, 1 in Colorado, one on his way to California, 2 in Honolulu in low paying jobs that do not require their college educations.

654279 Kawaiake Rd. Kaneohe HI 96741
808 887 2800 www.danielthiebaut.com



SHELL VACATIONS CLUB
POINTING THE WAY®

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is **Hal G. Bonta, CHRE** and the company I represent is **SVC-Hawaii L.P.** As Regional Director of Human Resources for our company I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. **I support HB 2169 HD1 with amendments.**

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, **permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.**

This will reduce the impact of the tax increase on businesses. **Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.**

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-822-0042 X 255.

Sincerely,

Hal G. Bonta, CHRE
Regional Director of Human Resources
SVC-Hawaii L.P.

Pono Kai Resort
4-1250 Kuhio Highway
Kapaa, Hawaii 96746

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Peter Sit and my company is Pono Kai Resort, a Bluegreen Resorts Management with 241 apartments of whole owners and timeshare owners and employs 71 full time and part time staff. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The unemployment insurance tax increase proposed will substantially increase our cost of operations which will lead to increase on maintenance fee and reduction of payroll (reduced hours) for our staff which can increase the burden of unemployment insurance for the State.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808/822-9831 or email; peter.sit@bluegreencorp.com.

Sincerely,
Peter K. Sit
General Manager
Pono Kai Resort



Before the House Committee On Finance

DATE: February 5, 2010

TIME: 1:30 p.m.

PLACE: Conference Room 308

Re: HB2169 HD1 Relating to Employment Security

Testimony of Melissa Pavlicek for NFIB Hawaii

We are testifying on behalf of the National Federation of Independent Business (NFIB) regarding unemployment insurance rate relief.

Although we support the intent of the measures intended to minimize the impact of the unemployment insurance tax increase, NFIB Hawaii supports amending the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently setting the taxable wage base at 90% and maintaining the adequate reserve multiplier at 1.0. We ask that you please amend this measure to include the provisions in the current draft of House Bill 2201, which is supported by a number of business organizations.

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.

We welcome the opportunity to engage with legislators on this and other issues during this session.

841 Bishop Street, Suite 2100, Honolulu, Hawaii 96813 (808) 447-1840

Testimony to the House Committee on Finance

DATE: Tuesday, February 5th, 2010

TIME: 1:30 p.m.

PLACE: Conference Room 308

RE: HOUSE BILL 2169 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee,

Syngenta Hawaii supports HB 2169 HD1 with amendments. My name is Laurie Goodwin and I am representing Syngenta Hawaii which employs over 450 people in Kunia on Oahu and Kekaha on Kauai. We appreciate the efforts made by the Legislature in addressing the unemployment insurance tax increase but respectfully request to amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, and permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0. This will save jobs, preserve businesses and maintain the growth and development of businesses currently operating in the State.

Syngenta Hawaii is part of an industry that continues to forecast growth despite the current economic climate. The seed industry is the State's #1 agricultural commodity and has grown from a \$97 million industry in 2006 to a \$146 million industry in 2008 with a forecasted estimate of \$176 million for 2009. Syngenta Hawaii created almost 200 full-time positions in the State in 2008 and we are continuing to grow. To encourage and maintain the growth of our Company in the State please amend the bill as detailed above.

Thank you for the opportunity to submit testimony.

Mahalo,

Laurie Goodwin

Laurie Goodwin
Hawaii State Affairs Manager
Syngenta Hawaii
7050 Kaunualii Highway | Kekaha, HI 96752
PO Box 879 | Waimea, HI 96796
office: 808-337-1408 Ext. 120 | mobile: 808-652-0768
laurie.goodwin@syngenta.com





HAWAIKI TOWER

Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice-Chair
House Finance Committee

Paul McCurdy, Resident Manager
AOAO of Hawaiki Tower, Inc.
88 Piikoi St.
Honolulu, Hawaii 96814

Hearing Date: Thursday, February 5, 1020

Re: HB 2169 HD1

The purpose of this testimony is to provide reserved support of the concept of HB 2169 HD1 with comments and suggestions for improving the bill.

Hawaiki Tower is a residential hi-rise community association with 427 members and approximately 1,100 residents.

HB 2196 HD1 will require community associations across the state to increase maintenance fees on average at least 1% to cover the increased unemployment insurance premiums. This increase in maintenance fees will come at a time when many homeowners, both in multi-family condominiums and single family home planned communities, are facing foreclosure due to financial obligations they cannot meet. Adding to this burden does not seem prudent. Many homeowner associations are having trouble meeting their financial obligations due the increasing default rate of these very same homeowners.

Taxing small business to sustain the unfortunate folks who are unemployed for extended periods will force many of these small businesses to fail. Many businesses cannot pass on the increased cost of unemployment insurance to their customers.

A better alternative would be to modify HB 2169 HD1 to include or substitute the [HB 2579](#) and [SB 2732](#) language proposed by the Governor. This would accomplish the goal of providing unemployment benefits to folks on extended unemployment who need the help while not placing the majority of the burden on small businesses and community association members.

Please consider amending HB 2169HD1 to include or substitute the Governor's HB 2579 and SB 2732 language and unemployment tax proposals into HB 2169 HD1. Without these amendments, HB 2169 HD1 should not go forward.

Testimony before the House Committee on Finance

H.B. No. 2169, HD1, Relating to Employment Security

February 5, 2010

1:30 p.m.

Conference Room 308, State Capitol

By Faye Chiogioji, Manager
Hawaiian Electric Company

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

I am Faye Chiogioji, Manager, Workforce Staffing and Development at Hawaiian Electric Company, Inc. I represent Hawaiian Electric Company, Inc. and its subsidiaries, Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited consisting of 2300 employees.

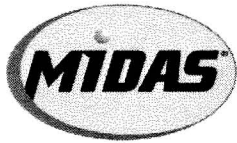
We support the intent of House Bill 2169, HD1; however, we suggest that the committee consider House Bills 2201 and 2579 in its place.

We appreciate the efforts of the legislature and this committee to address the unemployment tax increase issue; however, we believe that the proposals in House Bill 2169, HD1 are not an adequate solution. The proposed measures provide short-term tax relief during 2010, yet in 2011 variables used to calculate unemployment insurance such as taxable wage base, adequate reserve ratio, and the tax rate are all set to increase. Although there would be a one year delay, the result will still be a significant tax increase to employers in 2011.

We support the proposals found in House Bills 2201 and 2579 that call for judicious unemployment insurance tax rate increases spread out over multiple years, securing federal government loans to maintain the Unemployment Insurance fund, setting the taxable wage base between 80-90%, and maintaining an adequate reserve ratio at 1.0. These measures will help our island economy recover faster, keep more dollars circulating in our economy, and help businesses plan out these increased expenses over a longer period of time.

While the impact of this tax increase will undoubtedly have a tremendous effect on small business, it affects all employers, including large ones such as Hawaiian Electric Company. The increase places additional financial pressures on our company at a time when we are trying to grow and develop our workforce to provide for the State's current and future energy needs.

Thank you for the opportunity to share our testimony with you and for considering House Bills 2201 and 2579 in its place.



**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Robert D. Pereira and I am the President/CEO of Midas Hawaii. Midas Hawaii owns and operates eleven Midas Auto Service & Tire Shops throughout the State of Hawaii and employs 100+ Hawaii residents as Auto Service Technicians, Service Advisors, Managers, Receptionists, Accounting Personnel and other service providers.

I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Like many Hawaii businesses, during the past six months Midas Hawaii has struggled to keep up with expenses. We've done many things to cut back including wage cuts to key personnel. A steep increase in unemployment tax may well be a burden that we won't be able to handle. We've already done so much to cut costs that there's little more we can do but try to lower our labor costs either by lay-offs or further wage cuts.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at bob@midashawaii.com or cell phone, 808-479-7140.

Mahalo nui loa,

Robert D. Pereira

February 4, 2010

Committee on Finance
Room 308 on Friday, 5 February 2010 at 1330
Questioning the Fairness of HB 2169, HD1

Chair Oshiro and respected members of the Committee;

My name is Reg White. I am vice president, project development, for RDH incorporated. RDH incorporated operates Paradise Cruise, Ltd. and RoyalStar Hawaii Transit here on Oahu. We have approximately 460 employees at the present time.

I wish I were more of an accountant so I could speak more authoritatively on this subject, but it seems to me that this bill seeks to punish employers who have a fine record and who have not laid off any employees during this critical time. Over the past three years we have not laid off one single employee. Our fund is full and we are required at present to make no further contributions. In fact, our company is presently hiring, and has been for some months now. Over the past six months for instance, we have hired a net of 46 new employees.

In view of the above facts, I don't think it is fair for this proposed act to require us to pay penalty fees into the Unemployment Relief Fund when we have not contributed to it's problems. Our only terminations during this period have been resignations for personal reasons.

Respectfully,

Reg White
VP, project development, RDH Inc.
1540 S. King St.
Honolulu, HI 96826-1919
(808) 222-9794
RawcoHI@cs.com

**TESTIMONY OF KEONI WAGNER ON BEHALF OF HAWAIIAN AIRLINES
REGARDING H.B. NO. 2169, HD 1 , RELATING TO EMPLOYMENT
SECURITY**

February 5, 2010

To: Chairman Marcus Oshiro and Members of the House Committee on Finance:

My name is Keoni Wagner and I am the Vice President of Public Affairs for Hawaiian Airlines presenting this testimony on behalf of Hawaiian Airlines regarding H.B. No. 2169, HD 1. Hawaiian Airlines is one of the largest employers in the State of Hawaii with 3,857 employees, and despite the economic downturn has been able to hire more than 350 additional workers over the past 12 months. We anticipate additional hiring this year to accommodate the introduction of new Airbus long range aircraft and expansion in our service to Hawaii from the state's largest visitor markets on the mainland.

If the changes that were made to the State unemployment insurance law last session go into effect as scheduled with an increase in the wage limit to \$38,800 per employee, Hawaiian's annual tax burden will increase by approximately \$2.7 million. This increase will put additional financial pressure on the company as it copes with rising fuel prices and continuing lackluster travel demand. Therefore, we are in support of the intent of HB2169, HD 1 in modifying the existing law. However we believe it does not go far enough in mitigating the short term impact of increased tax payments for Hawaii companies.

Thank you for the opportunity to present comments on this measure.

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Warren Gibson and my company is Paradise Entertainment Group, L.P. dba Warren & Annabelle's Magic Show. We currently employ 25 employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The bottom line is I CAN'T AFFORD THIS BILL! I am a small business owner and absolutely can not afford to pay the rates proposed in this bill. THIS BILL WILL ACTUALLY INCREASE UNEMPLOYMENT because BUSINESSES CAN NOT AFFORD TO PAY SUCH HIGH UNEMPLOYMENT TAX!

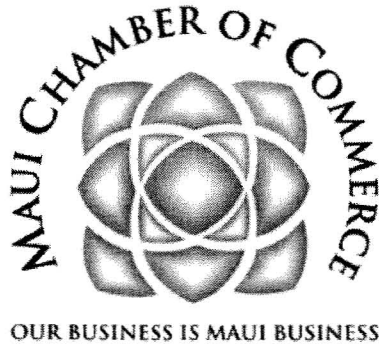
Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-250-1397 or at magic@WARRENandANNABELLES.com.

**Respectfully,
Warren Gibson
Small Business Owner**



Testimony to the House Committee on Finance
Friday, February 5, 2010 at
1:30pm in Conf. Rm. 308

RE: House Bill 2169 HD 1 Relating to Employment Security

Dear Chair Oshiro, Vice Chair Lee & Members of the Committee:

On behalf of the Maui Chamber of Commerce, an organization comprised of nearly 800 business members and 20,000 employees, I am writing to thank legislators for their interest in and work to protect jobs in Hawaii and for addressing legislation to tackle the planned burdensome Unemployment Insurance (UI) Tax increase.

At the proposed ten-fold rate without legislative relief, the UI Tax escalation represents a large financial drain for Hawaii's businesses and is therefore our top priority this session.

While employers acknowledge that the Unemployment Trust Fund must be replenished given the tremendous fund utilization over the past couple of years, they need a reasonable option that permits the fund to be built back up over time, allowing them to keep more dollars in their business and the economy right now and fund the rising tax when they can better afford it.

We want to work with you on legislation that best allows the private sector to grow, succeed and bring back, as well as create new, employment opportunities. Therefore, we respectfully ask that the committee amend HB 2169 HD 1 to include language from HB 2201 which:

- Puts the tax rate at Schedule D in 2010 and keeps it to Schedule F, rather than G, in 2011. We side with and advocate for multi-year relief to provide businesses with more time to adjust and fund the increase;
- Sets the taxable wage base at no more than 90%; and
- Keeps the adequate reserve multiplier at one year of benefits..

Testimony to the House Committee on Finance
February 5, 2010
Page 2.

With the Unemployment Trust Fund expected to be depleted by the end of 2010 given current spend rates, we recognize that additional funding will be required if the weight of the tax load is lessened in 2010 and 2011 and that many states are electing to borrow money from the US Treasury to keep their Unemployment Trust Funds solvent. We support borrowing from the federal government to lessen the UI tax liability in the short-term and back legislation that allows the Director of the Department of Labor & Industrial Relations (DLIR) to assess employers for the interest incurred on any monies borrowed from the treasury to maintain benefits to unemployed workers. With Chamber proposal HB 2201, the state would not need to borrow any funds until 2011 and the anticipated interest this would generate (approximately \$4million) could be paid by existing monies employers have paid in to the DLIR or through a sufficient tax that employers would pay.

At the steep hike currently proposed, the UI Tax increase will cost additional jobs, our unemployment will soar higher, and it could be the final nail in the coffin for many small businesses. Businesses need relief now and we urge swift action to make that happen.

In summary, we embrace options that: reduce the tax rate schedule, extend a reduced rate schedule into 2011, hold the taxable wage base to 90% of the annual average wage, and have the adequate reserve multiplier at 1.0. Backed by economic experts and analysis, these combined recommendations will reduce the tax shock, keep more money in our fragile economy, and help preserve and create jobs more effectively than other bills proposed. We therefore ask that you incorporate these changes.

Thank you in advance for considering our recommendations. We appreciate your support on this issue and look forward to fast tracking the best possible bill for employers, employees, and the economy.

Sincerely,

Pamela Tumpap
President

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Eugene Nishimura and I represent the Japanese Chamber of Commerce and Industry of Hawaii. In turn, the Chamber represents over 200 businesses employing thousands of residents in East Hawaii. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The unemployment rate in Hawaii is already too high to provide us with any traction to improve our overall economic situation. A drastic increase in the unemployment insurance premiums can only further damage or prolong the current high unemployment rate; thereby creating a downward spiral effect on our now fragile economy.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

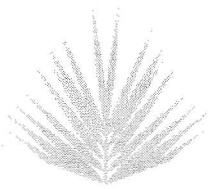
To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at (808) 345-3071 or by mail to: JCCIH, 714 Kanoelehua Avenue, Hilo, Hawaii 96720.

Sincerely,

Eugene H. Nishimura
Government Affairs Committee



Island Landscape

Testimony to the House Committee on Finance
Friday, February 5, 2010
Conference Room 308
1:30pm

RE: House Bill 2169 HD1

Dear Chair Oshiro, Vice Chair Lee & Members of the Committee:

I am submitting testimony today as I am extremely concerned about the tremendous hike planned for the Unemployment Insurance (UI) Tax and request your help with legislative relief.

As a small business who is working hard to not only maintain my staff, but grow the staff and my business in this difficult economy, an increase of this magnitude will prevent me from adding new employees and will require that I cut the hours of one or more employees, depending on my revenue this year.

Our business is tied to construction and has seen revenue declines just as the construction industry has. We need and hope for continued stimulus funds and a strengthened economy to move construction projects and the industry forward and generate additional work. We also need a more business friendly environment to do business in, not additional taxes and fees.

I understand as a member of the Maui Chamber of Commerce that legislators recognize the difficulties we face on this issue and support UI tax relief. Although this bill provides some relief, we need your assistance in delivering the best possible solution to keep the increase down for as long as possible. Therefore, I ask and would greatly appreciate it if you would amend this bill to: keep the tax rate schedule to D in 2010 and hold it to F in 2011; set the tax wage base at no more than 90%; and keep the adequate reserve multiplier at one year of benefits. This will give businesses like mine more time to afford the increase, although any increase right now is a real hardship.

Thank you for keeping our plight in mind and for limiting the UI tax increase and delaying it as much as possible so that my and other businesses have time to recover.

Sincerely,

Brian Kashima
President



February 4, 2010

Representative Marcus Oshiro, Chair
Committee on Finance
State Capitol, Room 308
Honolulu, HI 96813

RE: HB2169, HD1 "Relating to Employment Security"

Dear Chair Oshiro and Members of the Committee on Finance:

Gentry Homes, Ltd. supports the intent of HB2169-HD1, "Relating to Employment Security." The last two years have seen dramatically reduced revenues for businesses and by extension, tax revenues for government, and the trend is likely to continue in 2010. The intent of this Bill is to provide modest short term relief to employers, who will eventually be required to make the deferred payments plus additional fees and interest as required by the Federal Government.

HB2169, HD1 provides for only one year of temporary relief for employers while making permanent the 75% of average wage benefit. However, we contend that one year's relief is not adequate to help employers recover from the financial downturn. Employers will be left with the increased costs going forward, while the economic outlook remains uncertain for the foreseeable future. It is simply imprudent to increase the expenses on an insolvent fund while many employers' gross revenues continue to decline. We believe there should be a greater effort to reduce the 75% to 70% as it was before Act 110.

We support the Department of Labor's proposal of relief for 4 years and a reduction of the average weekly wage to 70%. At a minimum, we would like to see the adoption of the Chamber of Commerce's proposal which calls for two years of meaningful decreases in the annual tax per employee.

Thank you for the opportunity to share our views with you.

Very truly yours,

GENTRY HOMES, LTD.

ROBERT W. BRANT
President and CEO

RWB:sth
cc: Tosh Hosoda

February 5, 2009

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

1:30 pm

TESTIMONY ON
HB 2169, HD 1

Chair Oshiro and committee members:

My name is Fred Perlak and I am the Vice-President of Research and Business Operations for Monsanto in Hawaii.

I ask that you consider my testimony in support of HB 2169, with amendments. Although the current draft of the bill provides some tax assistance, we hope that further adjustments can be made to alleviate the huge implications to businesses and minimize the impact on jobs and wages.

Monsanto is part of the corn seed industry here in Hawaii. At our peak seasonal times, we employ over 1,000 employees. The seed industry has grown significantly in Hawaii in recent years, over 40% from 2007 to 2009. Hawaii seed industry is the leading agricultural component in the state with over \$176 million in direct spending.

As the economy continues to struggle, we are now confronted by a substantial increase in the Unemployment Insurance (UI). We are concerned how this rate increase will negatively impact our operations here in Hawaii.

We understand the difficult situation we are all in and that the importance of preserving our unemployment rates at a level that businesses can afford. To help mitigate the huge rate increase expected in the coming months, we hope that this bill will be amended to hold down the tax rates so that we can continue to maintain and increase employment, preserve businesses and spur the economy by keeping more dollars flowing within our State.

As this issue is very urgent, we hope that a bill to address this critical issue is fast tracked before the new higher rates take into effect.

Thank you for the opportunity to submit testimony.

Sincerely,

Frederick J. Perlak, Ph.D.
Monsanto Company



DOO KAN, INC. dba
Hawaii Popcorn Company
P.O. Box 37703
Hon., HI 96837
Ph: 808-291-2676 Fx: 808-454-0954
hipop@hawaii.rr.com

HB 2169 HD1
TESTIMONY

February 4, 2010

To: Chair Oshiro, Vice Chair Lee and Members of the Committee

My name is Mark Doo, owner of Doo Kan, Inc. dba Hawaii Popcorn Company. We've made the popular Hurricane Popcorn since 1991.

The Unemployment Insurance increase is probably the most costly issue small businesses will face this year. I appreciate the changes that HB 2169 provides but the bill needs to do more. With eight employees I am looking at paying more than \$4,000 in additional UI premiums even with the reduced rates proposed by HB 2169. That will be \$4,000 that I won't be able to use to maintain hours for my employees or purchase supplies for my business. I can't imagine what businesses with 20 or 50 employees will pay. The more gradual increase in UI payments proposed by the Chamber of Commerce will provide a better time frame for small businesses like ours to make these payments.

As opposed to the "too big to fail" businesses that our federal tax dollars are being used to bail out, there is no bail out program for small business. The SBA's funding is ridiculously small compared to the TARP funding. Add to that the difficulty we have trying to obtain credit and the importance of every single dollar becomes even more acute.

The other hardships we face are the numerous bankruptcy filings that are occurring with alarming frequency. The UI fund is there to help the employees of bankrupt companies that lose their jobs. But there is no fund to help the unsecured creditors of these bankrupt companies. Almost all small businesses are unsecured creditors and we are lucky to get twenty cents to the dollar that is owed to us. The unsecured creditors of Hilo Hattie will get five cents for every dollar owed them **paid over five years**. One of my customers, Price Busters, filed for Chapter 11 this year.

Any large increase in UI payments will rob investment in our businesses, in product development, and in maintaining current hours for our employees. It will cause a ripple effect that will exacerbate the very problem that Unemployment Insurance is supposed to alleviate. The more gradual the increase in UI payments to avoid a taxic shock the better we can prepare to pay it without drastic cuts in other areas.

Mahalo for your time.

Mark Doo



February 4, 2010

Chair Marcus Oshiro
House Committee on Finance
State House of Representatives
State Capitol, Room 308
Honolulu, HI 96813

RE: HOUSE BILL 2169, HD 1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and members of the Finance Committee:

The Hawaii Alliance of Nonprofit Organizations (HANO) is a professional association for nonprofit organizations, which acts as the nonprofit sector voice and works to strengthen and unite Hawaii's nonprofit sector as a collective voice to improve the quality of life in Hawaii. We appreciate the work by the Legislature to address the unemployment insurance tax increase this year and to ensure some relief. We support the intent of HB 2169, HD 1 but would like it to reflect a more graduated tax increase spread out over a longer period of time than the proposed one year.

The nonprofit sector is already reeling from cuts to their government contracts, decreased funding from the private sector in the wake of this unprecedented economic crisis. Revenue sources—restricted and unrestricted—are limited, with demands for nonprofit sector services growing by leaps and bounds.

Nonprofit organizations, just like any for-profit business, must pay for and manage the business costs of running operations. In an informal survey that HANO conducted, 76% of the respondents said that a dramatic increase in unemployment insurance tax will adversely affect their service delivery and possibly result in workforce cutbacks. While organizations with 501(c)(3) nonprofit status can opt out of the state insurance plan and can self-insure, many have found this alternative to NOT be economical, based on their employment experience ratings and other factors. Much of a nonprofit organization's revenue is restricted by the donor – whether through government contract or private trust and foundation-- for specific projects. Often, unanticipated business cost increases like this are not factored into contracts and grant proposals, leaving the nonprofit at a loss as to how it will pay that expense.

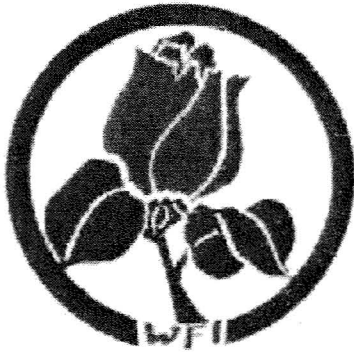
HANO Testimony to House Finance Committee
February 4, 2010
Page Two

To help reduce the “tax shock,” safeguard the statewide unemployment rate and preserve the valuable services that nonprofits provide, please amend the bill, as recommended by the Chamber of Commerce of Hawaii, to a more graduated tax increase over more than one year.

Thank you for the opportunity to provide written testimony.

Mahalo,

Lisa Maruyama
President and CEO



Watanabe Floral, Inc.

1607 Hart Street • Honolulu, HI 96817 • (808) 832-9360

FAX TRANSMISSION PAGE

DATE: February 5, 2010
ATTN: Chair Oshiro, Vice Chair Lee and Members of the Committee
COMMITTEE: House Committee on Finance
HOUSE BILL: 2169 HD1(Relating to Employment Security)
FAX NUMBER: 808-586-6001
FROM: Leon K Dodson, CFO

NUMBER OF PAGES INCLUDING THIS PAGE: 1
PLEASE CALL (808) 832-9360 x302 IF ALL PAGES AS INDICATED ARE NOT RECEIVED. THANK YOU.

We understand that the unemployment insurance tax rate needs to be increased as a result of the global recession, however, if the present bill passes with the current amendments - it would result in having us terminate an additional 4-5 employees.

We feel the bill is headed in the right direction but is still not enough and would be counterproductive, we would continue to see our wholesale customers pushed out of business. We have seen shops closed in 2009, and will see more in 2010.

Sales will not instantly increase in 2011...it will be a gradual process but with the proposed increase in 2011...it would be too much to bear, speed up the process and make things worse.

We agree with The Chamber's assessment:

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

We urge you to consider and go with The Chamber's recommendations...for we all have the State's best interest in mind.

HAWAII OPERATING ENGINEERS INDUSTRY STABILIZATION FUND



Affiliated AFL-CIO
OPEIU 3 - AFL-CIO (3)

*Uniting our strengths and working together
for a better tomorrow.*

February 5, 2010

HOUSE COMMITTEE ON FINANCE

Honorable Marcus R. Oshiro, Chair
Honorable Marilyn B. Lee, Vice Chair

RE: House Bill 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Hearing 1:30 pm House Conference Room 308

Chair Oshiro, Vice Chair Lee and Members of the Committee:

John R. Monis with Hawaii Operating Engineers Industry Stabilization Fund. We are Labor/Management, representing 300 General Contractors in the Heavy, Heavy Site Engineering Works, and 4000 Skilled Members Statewide.

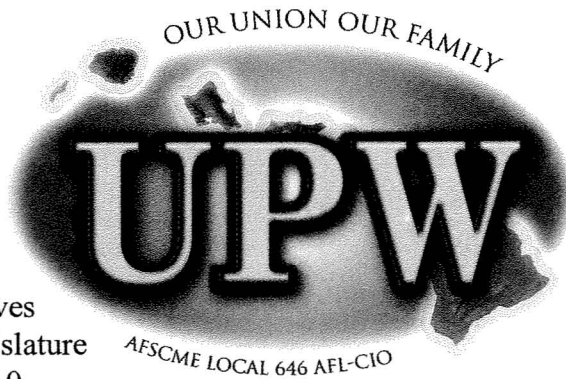
HOEISF appreciates the efforts being made by the Legislature in addressing the Unemployment Insurance Tax Increase.

However, HOEISF will not support the intent of House Bill 2169 HD1. Given the current economic condition of the Construction Industry, we ask that House Bill 2169 HD1 be amended and tabled in increment stages to allow the Contractors to survive and avoid any layoffs which would increase the impact on unemployment insurance.

We humbly ask that you amend House Bill 2169 HD1. If there are any concerns on this request please feel free to contact me at (808)561-3783.

Respectfully,

John R. Monis
John R. Monis
Lobbyist



House of Representatives
The Twenty-Fifth Legislature
Regular Session of 2010

Committee on Finance
Rep. Marcus Oshiro, Chair
Rep. Marilyn Lee, Vice Chair

DATE: Friday, February 5, 2010
TIME: 1:30 p.m.
PLACE: Conference Room 308

**TESTIMONY OF THE UNITED PUBLIC WORKERS, LOCAL 646, ON HB 2169,
HDI, RELATING TO EMPLOYMENT SECURITY**

This measure sets, for calendar year 2010, the employer contribution rate at schedule D and the wage base at 90% of the average annual wage; sets, for calendar year 2011, the employer contribution rate at schedule G; retains the maximum weekly benefit rate beginning 01/01/2011 at 75% of the average weekly wage; authorizes special assessments upon employers to pay the interest costs on loans received from the U.S. Secretary of Labor; and requires the department of labor and industrial relations to conduct rate assessments every six months beginning in 2012.

UPW supports the general intent and purpose of this measure: the replenishment and protection of the unemployment compensation fund, and ensuring that unemployed workers receive the maximum weekly benefit rate under law.

Although we empathize with employers who face an increase in their unemployment tax rates, we have concerns that the consequences of adjusting the employer contribution rate and wage base are not fully understood. Unemployment insurance remains the critical safety net for unemployed workers and their families and adequate benefits must be provided particularly during periods of long-term unemployment.

Thank you for the opportunity to testify.



Hawaii Island Chamber of Commerce

106 Kamehameha Avenue
Hilo, Hawaii 96720
Phone: (808) 935-7178
Fax: (808) 961-4435
E-mail: admin@hicc.biz
www.hicc.biz

February 4, 2010

To: The Honorable Marcus Oshiro & Committee Members
Finance Committee
415 South Beretania St. Rm 306
Honolulu HI 96813

2009-10 Board

President
Mary Begier

President-Elect
Mike Gleason

Vice President
Jon Miyata

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Vaughn Cook

Past President
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Directors

Howard Ainsley
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Charles Erskine
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Stewart Hussey
Randy Kurohara
Karina Leasure
Marco Mangelsdorf
Eugene Nishimura
Spencer Oliver
Robert Charles Porter
Marcia Sakai
Glenn Santos
Margaret Shiba
Alice Sledge
Mele Spencer
Art Taniguchi
Ron Terry
Steve Ueda

From: Mary Begier, President 2009-2010

RE: HB 2169, HD1

My name is Mary Begier, I am proud to serve as the President of the Hawaii Island Chamber of Commerce. We appreciate the efforts made by this committee in addressing the increase in the unemployment insurance tax.

As we testified on January 24 our members and our community businesses are concerned about the amount of capitol the pending increase in the Unemployment Insurance will take out of our local economy. I want to relate a story told to me by a couple of our businesses. A small shop employs 7 people. The owner looked at what the increase would cost. She factored this into the already cash strapped retail business. The thing that made the most sense was to close her doors. Her heart would not let her do that so she met with her 7 employees. They put their heads together and came up with the following: One person wants to travel with her husband so she is going to retire and only be available to work for others when emergency fill in is needed. Two of them are sole support in their family so cutting their hours would be a true financial hardship. Two others are not sole support and actually work to supplement their grandchildren's' college fund so they volunteered to have their hours cut so that the other two wouldn't be cut. The remaining two employees also agreed to pay cut by way of a reduction in the number of hours they will work. The business continues to serve the community. The shopping area they are located in does not have to withstand the negative impact of another empty storefront. The employees reaffirm their professional relationship with each other. This is all only possible if we see a modification in the UI costs currently scheduled.

Another restaurant owner who employs over 20 people called to say, their restaurant business operates on a very thin margin even in the best of times. If this increase goes into effect they will be forced to close their doors. They have already spoken with the landlord where they rent their space to find out the penalty for breaking the lease with 10 months remaining. The landlord was sympathetic and asked them to stick it out until we see what happens with the UI bill. The landlord implied that they will revisit the lease rent depending on the results of the legislation. Whoever the landlord is has faith that the legislature will be able to address this situation.

Having relayed just two of many stories we are receiving we respectfully encourage amending the bill by holding the tax rate schedule at D in 2010 and F in 2011. Please permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

Thank you for the opportunity to submit testimony. If we may be of any assistance to you with this vitally important legislation please contact me at 808-895-4502.

Kauai County Farm Bureau

Affiliated with Hawaii Farm Bureau Federation

P.O. Box 3895 • Lihue HI 96766

808-337-9944 (phone/fax) 808-652-3217 (cell)

kcfb@hawaiiantel.net

The Voice of Kauai's Agriculture



February 4, 2010

ATTN: Committee on Finance
Rep. Marcus R. Oshiro (Chair), Rep. Marilyn B. Lee (Vice Chair) and Members
of the Committee

RE: HB2169 HD1 – Relating to Employment Security

HEARING DATE: Friday, February 5, 2010 – 1:30pm, Conference Room 308

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I appreciate the efforts made by the chair and the committee in addressing the unemployment insurance tax increase. **We support HB 2169 HD1 with amendments below to help reduce the impact on small farms and businesses, which are struggling in this economy.**

In this economic climate it is so important to help reduce the “tax shock” and safeguard the statewide unemployment rate. Agricultural costs are rising such as fuel and fertilizer, yet revenue is not keeping up, at the same time global competition is fierce. A tax increase at this point will be very difficult for some farmers to bear and we don’t want to be in the position of losing even more farms and ranches, which are so valuable to the state of Hawaii. We ask you to consider these implications when negotiating this tax increase, and to include agriculture in the discussions.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the “tax shock” and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. Affiliated with Hawaii Farm Bureau Federation, the Kauai County Farm Bureau represents over 300 farmers with diverse participation including sole proprietors, family farmers, and ag operations employing over 1,000 people.

Sincerely,

Roy Oyama, President
Kauai County Farm Bureau
Phone: 808-332-9426
Email: oyama_farm@yahoo.com

Melissa McFerrin
Executive Administrator

Lynn A.S. Araki-Regan
Stephen E. Pike

Christopher R. Dong
Garrick L.H. Goo
Of Counsel

ARAKI-REGAN
& associates, llc
a limited liability law company

1823 Wells Street Suite 2A / Wailuku / Hawaii / 96798
tel: (808) 244-6042 fax: (808) 249-2872

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Lynn Araki-Regan and my company is Araki-Regan & Associates LLC. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

I have 10 Mauians on my payroll, and the increase will significantly impact my ability to retain all of them.

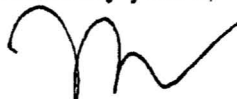
Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-244-6042.

Sincerely yours,



Lynn A.S. Araki-Regan

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

February 4, 2010

TO: THE HONORABLE REPRESENTATIVE MARCUS R. OSHIRO, CHAIR AND
MEMBERS OF THE COMMITTEE ON FINANCE

SUBJECT: H.B. 2169, HD1 RELATING TO EMPLOYMENT SECURITY.

NOTICE OF HEARING

DATE: Friday, February 5, 2010
TIME: 1:30 P.M.
PLACE: Conference Room 308

Dear Chair and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and seventy (570) general contractors, subcontractors, and construction related firms, support the passage of H.B. 2169 HD1, Relating to Employment Security, with amendments.

The GCA appreciates the efforts being made by the Legislature in addressing the unemployment insurance tax increase. The GCA would support HB 2169 HD1 with the following amendments.

1. Change the contribution rate schedule from G to F in 2011.
2. Permanently set the taxable wage base at 90%.
3. Extend the maximum weekly benefit amount of 75% of the average weekly wage to December 31, 2011. For benefit years beginning January 1, 2012, the maximum weekly benefit amount will be 70% of the average weekly wage.

This will reduce the impact of the tax increases on businesses while extending the higher benefit amounts for one more year during this period of high unemployment because individuals have few work opportunities. The Legislature needs to seriously consider helping both businesses and individuals in times of need while not providing a permanent crutch for all time.

The GCA supports the passage of H.B. 2169, HD1 and recommends its passage.

Thank you for the opportunity to provide our views on this issue.



We Live to Clean!

Brian Keala Benz, CEH, ICE

President/CEO

Testimony to the House of Committee on Finance

Friday, February 5, 2010; 1:30 p.m

Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee

My name is Brian Keala Benz, CEH, ICE and my company is Team Clean, Inc a local Professional Cleaning Company with 280 full-time employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments

As a locally owned and operated commercial contract cleaning company we negotiate our contracts for 3-5 year terms. The majority of our contracts carry thru 2010 and beyond. We estimated an average of a 606% increase in our unemployment tax expenses against contracts that was negotiated prior to this unanticipated drastic increase. It is very likely that this increase will result in lay-offs and a reduction in local spending with vendors and suppliers.

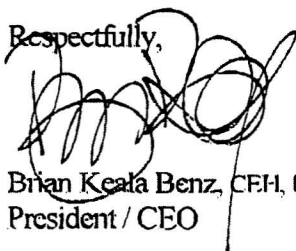
Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions please contact me at 808-944-8255 or cellular 808-479-9001 or e-mail address brianb@teamclean.biz.

Respectfully,



Brian Keala Benz, CEH, ICE
President / CEO



658 Front Street #127

Lahaina, HI 96761

(808) 661-3756

1-800-695-2624

Fax (808) 661-0544

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Steven Knight and my company is Expeditions Maui-Lana'i Ferry with 23 employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 661-3756 ext 905 or steve@go-lanai.com



Gretchen G. Dickman, CLU, ChFC
Financial Services Professional

353 Hanamau Street, Suite 21
 Kahului HI 96732
 Tel (808) 877-0456
 Fax (808) 877-0611
 e-mail: gdickman@finsves.com



Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Gretchen G. Voxland and my company is Horizon Financial where I help people become financially secure, and I have 2 employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The unemployment tax rate hike may force me to actually lay off an employee to cover the expense of the other employee. This bill does not solve the problem. This bill is creating a bigger unemployment problem than it is solving it. In my mind, cutting benefits is the solution.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-877-0456

Maui Chamber of Commerce
 313 Ano Street
 Kahului Hi. 96732

office: 808-871-7711
 fax: 808-871-0706
 www.mauichamber.com

Testimony to the House Committee on Finance

Friday, February 5, 2010; 1:30 p.m.

Conference Room 308

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Robert Gunthner and my company is Hilton Grand Vacations Club, Vacation Ownership Resorts with 194 employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

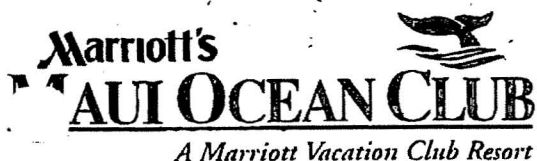
Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at:

Rob Gunthner
General Manager-Hawaii Resorts
Hilton Grand Vacations Club
69-699 Waikoloa Beach Drive
Waikoloa, Hawaii 96738
Direct Line: 808-881-3030
Cell Phone: 808-388-3832
Email: rgunthner@hgvc.com



100 Nohea Kai Drive • Lahaina, HI 96761 • (808) 667-1200 • Fax (808) 667-8300

Testimony to the House Committee on Finance**Friday, February 5, 2010; 1:30 p.m.****Conference Room 308****RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY**

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Kelly Soldwisch and my company is Marriott's Maui Ocean Club, a timeshare resort employing 350+ employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.


The potential unemployment insurance tax increase will have a detrimental effect on business in Hawaii. We will potentially suffer job losses and/or be forced to reduce benefits to our employees to make up for the budget shortfall. Our ability to continue to operate will be negatively impacted.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at:


Kelly Soldwisch
Marriott's Maui Ocean Club
100 Nohea Kai Dr
Lahaina HI 96761
808-667-8271



**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Ruth Limtiaco and my company is The Limtiaco Company, with eight full-time employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

In my 20 years of owning a successful business, I have never been so negatively impacted by a government tax.

Here is the history of our unemployment tax since 2005:

For 2005: \$4,450.41

For 2006: \$3,975.35

For 2007: \$2,447.37

For 2008: \$142.98

For 2009: \$ 0.00

For 2010: \$8,138.12+ estimated

An \$8,000 tax on a small firm like ours is just a giant punch in the financial stomach!

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 535-9099.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Ruth Limtiaco". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ruth Limtiaco



Aloha V.I.P. Tours, Inc.

February 05, 2010 fax to: 586-6201

Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Ronald K. Takeuchi, President of Aloha V.I.P. Tours, Inc.. We are a tour company servicing the Westbound Passengers, Americans and Canadians and employ 60 people. We appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

The year 2009 was bad for we were down by 18% and January 2010 was down by 10% from January 2009. Our outlook for 2010 is not to good and with increase taxes we will have to do lay-offs in order to stay in business.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur this economy by keeping more dollars flowing into the economy through wages and purchases.

Mahalo for the opportunity to submit testimony. If you have any questions, please contact me at 791-2788, email; Ron Takeuchi@alohavip.com, or mail to Aloha V.I.P. Tours, Inc., 444 Hobron Lane, 5th Floor, Honolulu, HI 96815.

Sincerely,

Ronald K. Takeuchi
President

Faxed
2/4/10



ITOEN

www.itoen.com

Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair
Committee on Finance

Friday, February 5, 2010
1:30 P.M.

Support of Intent of HB2169 HD1, with Proposal to Insert Language of HB 2579 and SB 2732, Relating to Employment Security

While HB 2169 HD1 aims to provides some immediate relief to our business, it does not provide as much help to employers as the Governor's proposed bills, HB 2579, and SB 2732.

HB 2579 and SB 2732 eases our business' UI tax liability by:

- Adjusting the tax schedule for 2010 & 2011 to schedule E, and to schedule F for 2012 AND lowering the taxable wage base to 70% for 2010, and 80% for 2011 and beyond. On average, employers will pay \$600 in 2010, \$690 in 2011 \$880 in 2012 and \$900 in 2013 under this proposal. This will greatly reduce the "tax shock" to our business and allow us to cover this expense at a gradual increase over a 4 year period.
- Reducing the adequate reserve to 1 times the benefit cost rate times total remuneration.

While unemployment tax would be lower in the Governor's plan than in HB 2169 HD1, employers would be responsible for the interest on the federal loans necessary to pay for the unemployment benefits in 2011, 2012 and 2013. We believe the interest cost is a small price to pay for the tax savings achieved through the Governor's plan.

We believe the Governor's plan affords our business the opportunity to keep pace with increasing taxes. Extending the tax assistance beyond 2010 will **save jobs, preserve businesses** and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony.

Sincerely,

Wendy Chuck
Human Resources Manager

ITO EN (USA) INC.
125 PUUHALE ROAD
HONOLULU, HI 96819
TEL 808 847 4477
FAX 808 841 4384

ITO EN (NORTH AMERICA) INC.
45 MAIN STREET, SUITE 3A
BROOKLYN, NY 11201
TEL 718 250 4000
FAX 718 246 1325

ITO EN NEW YORK
822 MADISON AVENUE
NEW YORK, NY 10021
TEL 212 570 2200
FAX 212 570 4500

KAI RESTAURANT
822 MADISON AVENUE
NEW YORK, NY 10021
TEL 212 998 7277
FAX 212 570 4500



100 Kalanianaʻolaha Avenue
Honolulu, Hawaii 96813-2047
P.O. Box 148000
Honolulu, Hawaii 96814-8000
Phone (808) 548-4800 • Fax (808) 548-2000
Toll-free (800) 507-6000 • Fax (800) 507-0000

Harry A. Saunders

Fax Submittal: 586-6001

Email Submittal: <http://www.capitol.hawaii.gov/emailtestimony>

Testimony by Harry Saunders
President, Castle & Cooke Hawai'i
February 4, 2010

Before the House Finance

February 5, 2010
1:30 p.m.
Room 308

In Support of HB 2169 HD 1
RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Finance Committee.

Castle & Cooke supports HB 2169 HD 1 with amendments. We appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. We offer the following comments for your consideration:

1. Lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a longer period of time as well as minimize the impact on jobs, wage or benefits reductions.
2. To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.
3. This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

At this stage, we have stabilized our operations to weather the present economic climate. However, surviving in this environment is a delicate balance and a substantial increase in operating costs can affect the sustainability and future of many companies. Like many other businesses, we have undertaken many cost cutting measures such as staff reduction, curtailment of programs and benefits, and deferment of major capital expenditures.

We are hopeful for an improved economy and anxiously await the shift and upswing in the market cycle. Our purpose continues to be providing for the needs of Hawai'i.

Mahalo for your consideration of our testimony. If you have questions, please feel free to contact us:

Harry Saunders, President
Castle & Cooke Hawai'i
aktsukamoto@castlecooke.com
548-4884

Richard Mirikitani, Senior Vice President and Counsel
Castle & Cooke Hawai'i
rmirikitani@castlecooke.com
548-4890

Jon Uchiyama, Senior Vice President and Controller
Castle & Cooke Hawai'i
juchiyama@castlecooke.com
548-3730



Maui Hotel & Lodging

ASSOCIATION

Testimony of

Carol Reimann

Executive Director

Maui Hotel & Lodging Association

on

HB2169 HD1

Relating to Employment Security

COMMITTEE ON FINANCE

DATE: Friday, February 5, 2010
TIME: 1:30 p.m.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of Maui's Visitor Industry. Our membership includes approximately 120 property and allied business members – all of whom have an interest in the visitor industry. Collectively, our association employs over 10,000 residents on Maui.

We appreciate the efforts made by the Chair and the Committee in addressing the unemployment insurance tax increase; and support HB 2169 with amendments.

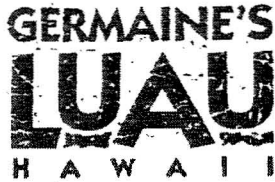
The visitor industry is the economic engine for Maui County. We are the largest employer of residents (approximately 40% are directly employed in the visitor industry) and our timeshare & hotel/resort properties alone generate approximately 40% of all Real Property Taxes collected. An impact of a ten-fold increase in the unemployment insurance tax rate will ultimately be devastating to the economic driver of Maui.

To help reduce the "tax shock" burden and safeguard the statewide unemployment rate, we believe that it would be wise to amend the bill by holding the tax rate schedule to D in 2010 and to F in 2011, permanently setting the tax wage base at 90% and maintaining the adequate reserve multiplier at 1.0.

Extending the tax assistance beyond 2010 will not only save jobs, it will preserve businesses and spur the economy by keeping more dollars flowing into our local economy through wages and purchases. This will most definitely help businesses plan expenses over a longer period of time.

As we look toward the economic future of the State of Hawai'i, serious considerations need to be made that benefit both the economic drivers of our State, as well as the State government as a whole.

Thank you for the opportunity to provide testimony on this crucial matter. Should you have any questions, please feel free to contact me at 808-244-8625 or by email at creimann@mauihla.org.



"TOO GOOD TO MISS"

Testimony to the House Committee on Finance

Friday, February 5, 2010; 1:30 pm

Conference Room 308

Chair Oshiro, Vice Chair Lee and Members of the Committee

Aloha;

My name is Toby H. Kusaka, Chief Executive Officer of Germaine's Luau, Inc. We are a Tourist Attraction providing fun, food and Hawaiian entertainment on a nightly basis to tourist and locals alike. We host over 120,000 guests annually and employ 160 people. We appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. As such, I support HB 2169 HD1 with amendments.

The year 2009 was pretty bad for Germaine's Luau as we were down 25% in attendance. However, with a number of adjustments to scheduling, staffing & our product we were able to maintain our service to the visitors of Hawaii while avoiding layoffs. Our outlook for 2010 is not as positive. The proposed increase of taxes will force us towards layoffs and reduction in work hours of our employees in order to stay in business.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time, as well as minimize the impact on jobs, wage or benefit reductions for our employees.

To help reduce the "tax shock" and safeguard the statewide unemployment rates, please amend the bill by holding the tax rate schedule to D in 2010 and % in 2011, at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Mahalo for the opportunity to submit testimony. If you have any questions, please feel free to contact me at (808) 947-1244 x 102; email Toby@germainesluau.com; or mail to Germaine's Luau, Inc.; 444 Hobron Lane, #501; Honolulu, HI 96815

Sincerely,

Toby Kusaka
Chief Executive Officer

Executive Office:
444 Hobron Lane, Suite 501
Honolulu, HI 96815
Tel. (808) 947-1244

Reservations:
(808) 949-6626 or 941-3338
Toll Free 1 (800) 367-5655
Fax (808) 949-4218



RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Monica Toguchi and my company is Highway Inn and Ho'okipa Catering. We have been specializing in Hawaiian foods since 1947 and employ about 35 people. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 677-4345 or by email at info@myhighwayinn.com

Sincerely,

A handwritten signature in black ink, appearing to be "Monica I. Toguchi", with a long horizontal line extending to the right.

Monica I. Toguchi
Vice-President



Shawndra Holmberg
200 Kanoelehua Ave, #317
Hilo, HI 96720
808.969.3800
dhucks@dhucks.com

**Testimony to the House Committee on Finance
Friday, February 5, 2010; 1:30 p.m.
Conference Room 308**

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Shawndra Holmberg and my company is Dhucks, an organizing company. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Though I don't have any employees, I am very concerned with increasing the unemployment insurance tax. I believe that it would dramatically increase the unemployment rate in Hawaii as those small businesses who have been able to keep their employees would be unable to afford the huge tax increase and would end up laying off the very people who will be a part of pulling Hawaii out of this economic hole. An increase in unemployment will impact my business as there will be fewer people who can afford to use my services to get organized. Will my husband lose his job because his employer can't afford the increase in unemployment insurance? I hope not.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808.969.3800 or email me at dhucks@dhucks.com.

Sincerely,



TOTALLY HAWAIIAN GIFT GALLERY

2/4/10

Re: House Bill # 2169 HD1 Relating to employment security

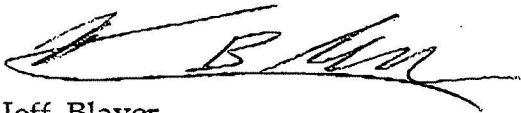
Aloha Chair Oshiro, Vice chair Lee and members of the committee:

My name is Jeff Blayer and I have owned Totally Hawaiian Gift Gallery since 1993. I employ between 6 and 10 employees. We all work hard in an industry that is struggling at best. Raising the cost of unemployment insurance at this time will more likely cause me to reevaluate the number of employees that I am able to support. I'd rather pay the wages to the remaining ones than have to let people go because of this.

Please consider holding the tax rate to proposed D in 2010, permanently setting the taxable wage base below 80 % and maintaining the adequate reserve multiplier at 1.0.

I think these solutions would be better than putting us under and adding another 8 people to the rolls.

Mahalo for your attention,



Jeff Blayer

WHALERS VILLAGE
Kaanapali, Hawaii 96761
(808) 667-4070 Fax (808) 669-3893

www.totallyhawaiian.com

Roy T. Ogawa
Ogawa, Lau, Nakamura & Jew
Attorneys At Law, A Law Corp.
600 Oceanview Center
707 Richards Street
Honolulu, HI 96813
Telephone: (808) 533-3999

February 6, 2010
Representative Marcus Oshiro, Chair
Committee on Finance
State Capitol, Room 308
Honolulu, HI 96813

RE: HB2169, HD1 "Relating to Employment Security"

Chair Oshiro and Members of the Committee on Finance:

We support the intent of HB2169, HD1, "Relating to Employment Security" to mollify the dramatic effect on small businesses to help them to keep their present employees. The increase in costs per employee of over a thousand dollars is significant. For example a small business with only twenty employees will have increased costs of up to \$20,000 annually. The past two years of a very real recession has resulted in dramatically reduced revenues for many businesses and 2010 is unlikely to change this revenue trend.

This bill provides only modest short-term relief to employers. HB 2169, HD1 provides for only one year of temporary relief for employers while making permanent the 75% of average weekly wage benefit. We contend that one year's relief is not adequate to help employers recover from the financial downturn. Employers will be left with the increased costs going forward, while the economic outlook remains uncertain for the foreseeable future. It is simply economically imprudent to increase the expenses on an insolvent fund while many employers' gross revenues continue to decline. Also the potential "cliff" in 2010 upon the expiration of ARRA stimulus money is still very real. A greater effort should be made to reduce the 75% level to 70% as it was before Act 110, or even to 65% in order to preserve the economic viability of the fund and in turn to save jobs by preserving the economic viability of many small businesses. The marker to look at is the unemployment rate. Until it is reduced substantially the insolvency of the fund is imminent.

We support the Department of Labor's proposal of relief for 4 years and a reduction of the average weekly wage to 70% as the best compromise out of many difficult choices.

Thank you for the opportunity to share our views with you.

Very truly,

/s/ Roy T. Ogawa

Hawaii State Legislature
State House of Representatives
Committee on Finance

Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair
Committee on Finance

Friday, February 5, 2010, 9:00 a.m. Room 308
House Bill 2169, HD 1, Relating to Employment Security

Honorable Chair Marcus R. Oshiro, Marilyn B. Lee Vice Chair and
members of the House Committee on Finance,

My name is Russel Yamashita and I am the legislative representative for the Hawaii Dental Association and its 965 member dentists. I appreciate the opportunity to testify in support of HB 2169HD 1, Relating to Employment Security. The members of the Hawaii Dental Association are primarily small business persons who directly employ over 3,800 professionals, paraprofessionals and clerical staff.

The effect of this bill is to moderate the level of contributions which all employers must pay for unemployment insurance. Rather than face erratic spikes in the levels of contributions to the unemployment insurance fund, this legislation will hopefully moderate and even out the levels of contributions that have to be made. This does not diminish the amounts that will be received to provide for the unemployed, but rather evens out the contributions in order to provide for more reasonable and predicable payments that all employers must make.

Therefore, the HDA and its members urge your favorable consideration of this bill and I thank you for this opportunity to testify in support of this bill.

moshiro1-Ann

n: Eileen Paris [eileen@op-hawaii.com]
.t: Thursday, February 04, 2010 4:49 PM
To: FINTestimony
Subject: RE: 02/05/10 Hearing: HOUSE BILL 2169 HD1 and HB 2579/SB2732 RELATING TO EMPLOYMENT SECURITY

February 4, 2010

Chair Rhoads, Vice Chair Yamashita and Members of the Committee:

Re: House Finance hearing this Friday, February 5, 2010 at 1:30pm in conference room 308.

My name is Geraldine A. Hayes and my company is Contract Furnishers of Hawaii, Inc. DBA: Office Pavilion, a small, woman owned business employing approximately 40 employees in the state of Hawaii. I appreciate the efforts made by the chair and the committee in addressing the unemployment insurance tax increase. Thank you for fulfilling your pledge to "fast track" unemployment insurance ("UI") tax legislation so a measure can be passed by the administration's March 12, 2010 deadline.

I support the intent of HB 2169 HD1 but propose you insert the language of HB 2579/SB 2732.

HB 2579/SB 2732 reduces employers' UI tax liability by:

- Adjusting the tax schedule for 2010 to schedule E (currently schedule F), for 2011 to schedule E (currently, schedule H), and for 2012 to schedule F (currently, schedule G).
- Setting the taxable wage base to 70% for 2010 and 80% for 2011 and beyond.
- Reducing the adequate reserve to 1 times the benefit cost rate times total remuneration (currently, 1.5 times).

This will reduce the impact of the tax increase on the average and small businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases. This will help businesses plan expenses over a longer period of time.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me.

Sincerely,

CONTRACT FURNISHERS OF HAWAII, INC. dba: Office Pavilion

Geraldine A. Hayes
CEO
(808) 599-2411 Fax: (808) 599-2617
gerri@op-hawaii.com

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
To: Thursday, February 04, 2010 2:31 PM
Subject: FINTestimony
Cc: tameronh@financefactors.com
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: comments only
Testifier will be present: No
Submitted by: Tameron Hodges
Organization: Finance Enterprises & Affiliates
Address: Bishop Street Honolulu, HI 97813
Phone: 548-3393
E-mail: tameronh@financefactors.com
Submitted on: 2/4/2010

Comments:

Finance Enterprises supports the intent of the bill, but urges further relief for employers as outlined in HB 2579/SB 2732. Extending the tax relief beyond 2010 will save jobs. Job losses for a small business such as Finance Enterprises must be considered when UI taxes increase from \$0.00 in 2009 to \$195,000 in 2010.

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
ent: Thursday, February 04, 2010 8:21 AM
To: FINTestimony
Cc: cai@citymill.com
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Carol Ai May
Organization: City Mill Company, Ltd.
Address: 660 N. Nimitz Highway Honolulu, Hawaii 96817
Phone: 808-529-5806
E-mail: cai@citymill.com
Submitted on: 2/4/2010

Comments:

City Mill is a 111-year old Kama'aina company employing 500 Oahu residents. Although we are old, it is no guarantee of success in the future, as you know.

Private Business and small business are the backbone of employment and the economy.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 529-5806.

Sincerely, Carol Ai May

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
t: Thursday, February 04, 2010 2:35 PM
FINTestimony
Cc: ken@kaihawaii.com
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Ken Hayashida
Organization: KAI Hawaii, Inc.
Address: 31 N. Pauahi St., 2nd Floor Honolulu, HI 96817
Phone: (808) 533-2210
E-mail: ken@kaihawaii.com
Submitted on: 2/4/2010

Comments:

RE: HOUSE BILL 2169 HD1 RELATING TO EMPLOYMENT SECURITY

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Ken Hayashida and my company is KAI Hawaii, Inc., a Structural Engineering firm with twenty-three employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 791-3990 or by email at ken@kaihawaii.com.

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
t: Friday, February 05, 2010 10:42 AM
ro: FINTestimony
Cc: armltd@hawaii.rr.com
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Robert Miller
Organization: Pizza Bob's In Haleiwa
Address:
Phone:
E-mail: armltd@hawaii.rr.com
Submitted on: 2/5/2010

Comments:

As an employer of 60 people trying to stay afloat in these difficult times, we respectfully request that you consider the negative impact increasing payroll taxes will have on unemployment. An increase in the unemployment tax rate to 5% coupled with recent increases in TDI rates, health insurance rates and other business expenses will force us to reduce hours or cut jobs for our employees by about 5%.

thing you can do to reduce the magnitude of the tax hike, or spread the increase over a longer period into the future will help mitigate some of the negative effect on our employment levels.

We support C3, the Chamber's bill. Changing schedule Base to F in 2012 and holding the taxable wage base to 90% of the average annual wage will reduce the impact of the tax increase on the average and small businesses. We do not need more than one year of benefits in the UI Fund to be safe and prudent. Extending the tax relief beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases and will help businesses plan expenses over a longer period of time.

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 04, 2010 12:39 PM
To: FINTestimony
Cc: coffee@hilocoffeemill.com
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Jeanette Baysa
Organization: Hilo Coffee Mill
Address: P O Box 486 Kurtistown HI
Phone: 808-968-1333
E-mail: coffee@hilocoffeemill.com
Submitted on: 2/4/2010

Comments:

As a struggling business, I can barely afford to keep the 13 employees I have. I have been fortunate to not have laid anyone off, but if the UI goes up I won't have a choice. I've cut costs everywhere EXCEPT payroll, trying to make a difference in peoples's lives, keeping our small community going. If we have to let employees go because we can't afford the UI then they'll draw on the UI and it becomes a vicious circle. Don't penalize the small businesses that employ so many and keep more workers employed and out of the unemployment lines.
Thank you for your time.

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
ent: Thursday, February 04, 2010 10:07 AM
fo: FINTestimony
Cc: bij@aloha.net
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: F. Gale Carpenter
Organization: Big Island Jewelers, Ltd.
Address: 75-5695 A Alii Drive Kailua-Kona, HI
Phone: 808-329-8571
E-mail: bij@aloha.net
Submitted on: 2/4/2010

Comments:

Chair Rhoads, Vice Chair Yamashita and Members of the Committee:

My name is Mr. F. Gale Carpenter and my company is Big Island Jewelers, Ltd. and we have been in the fine jewelery business since 1983. I appreciate the efforts made by the chair and the committee in addressing the unemployment insurance tax increase. Although HB 2169 provides a mitigated tax increase, I strongly support the language of HB 2201 as this will provide a more incremental tax assistance for my business.

moshiro1-Ann

From: mailinglist@capitol.hawaii.gov
Date: Friday, February 05, 2010 11:15 AM
To: FINTestimony
Cc: ksanders@oceannetwork.tv
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Ken Sanders
Organization: Affiliated Chambers & Business Organizations
Address: 269 Kaelepulu Drive Kailua, Hawaii
Phone: (808) 256-7263
E-mail: ksanders@oceannetwork.tv
Submitted on: 2/5/2010

Comments:

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Ken Sanders and my company is Ocean Network LLC, a TV station carried by Oceanic Time Warner as digital Channel 349 and we have five employees. I appreciate the efforts being made by the Legislature in addressing the unemployment insurance tax increase. I support HB 2169 HD1 with amendments.

My company may be an example of many of the over 5000 companies that are a part of the Affiliated Chambers of Commerce and Business Organizations on all Hawaii islands. Ocean Network has survived the worst of the recession even though we had to furlough three employees and cut all expenses possible. We will not be able to replace all three employees if the Unemployment Insurance costs are too high. In any case we will have to ramp up again and will greatly appreciate it if you will let the UI costs ramp up as slowly as possible. Our Liability insurance is high also, programming expenses, and everything else is a challenge for a start-up company. In the future, please help all of our small businesses which are trying to help diversify our workers' income streams.

Although the current draft of the bill provides some tax assistance, I feel that lowering the schedule to another level in 2011 will alleviate some of the hardships and help businesses plan expenses over a larger period of time as well as minimize the impact on jobs, wage or benefits reductions.

To help reduce the "tax shock" and safeguard the statewide unemployment rate, please amend the bill by holding the tax rate schedule to D in 2010 and F in 2011, permanently set the taxable wage base at 90% and maintain the adequate reserve multiplier at 1.0.

This will reduce the impact of the tax increase on businesses. Extending the tax assistance beyond 2010 will save jobs, preserve businesses and spur the economy by keeping more dollars flowing into the economy through wages and purchases.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at :

ksanders@oceannetwork.tv

Ph. (808) 256-7263; 269 Kaelepulu Dr., Kailua, HI. 96734

moshiro4-Lisa

m: mailinglist@capitol.hawaii.gov
it: Friday, February 05, 2010 7:37 AM
To: FINTestimony
Cc: nser@hawaiiantel.net
Subject: Testimony for HB2169 on 2/5/2010 1:30:00 PM

Testimony for FIN 2/5/2010 1:30:00 PM HB2169

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Finney Bryant
Organization: North Shore Equipment Rentals,llc
Address: 67-016 Farrington Hwy Waialua, Hawaii 96791
Phone: 808-637-4600
E-mail: nser@hawaiiantel.net
Submitted on: 2/5/2010

Comments:

This bill would make it impossible for me to continue in business as it is already hard enough to stay afloat