



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 8, 2012

To: The Honorable Clayton Hee, Chair, Maile S.L. Shimabukuro, Vice Chair
and Members of the Senate Committee on Judiciary and Labor

Date: Thursday, February 9, 2012
Time: 9:30 a.m.
Place: Conference Room 016, State Capitol

From: Dwight Y. Takamine, Director
Department of Labor and Industrial Relations

Re: S.B. No. 2507 Relating to Health

I. OVERVIEW OF PROPOSED LEGISLATION

S.B. No. 2507 proposes to amend the Hawaii Family Leave Law by adding a new part to:

- Require employers to provide employees with a minimum of paid sick and safe leave.
- Expand coverage of the sick or safe leave to the individual worker.
- Add new definitions of family members and allowable leave.
- Add new eligibility requirements and types of coverage allowed under this part.

The Department of Labor and Industrial Relations (DLIR) appreciates the overall concept of the bill, but is concerned about the conflicting and inconsistent application of the new amended part with the current provisions of the Family Leave Law.

II. CURRENT LAW

The Family Leave Law requires an employer with 100 or more employees to allow an eligible employee to take up to four weeks of protected and unpaid family leave to care for a family member with a serious health condition. To be eligible, an employee must have been employed 6 months prior to the taking of family leave.

III. COMMENTS ON THE SENATE BILL

DLIR supports efforts by employers to assist employees by providing sick leave and safe leave to take care of the various personal and family health issues that naturally arise in worker's lives. The provision of sick and safe leave may diminish private and public health care costs, protect the public health in the state, promote the economic security and stability of workers and their families, assist victims of domestic violence and their families and protect employees in the state from losing their jobs while they use sick and safe leave to take care of themselves and their families.

The bill as currently written would impose new definitions with language contradictory to the current family leave law that would lead to confusion and difficulty in enforcement of these provisions.

The DLIR will be required to split the Family Leave Law into two areas of enforcement and use different parameters for coverage of employers, coverage of employees, types of uses of sick and safe leave, posting and record keeping requirements, and penalty provisions. For example:

- The current definition of an employer is having 100 or more employees (ensuring coverage over larger companies that can provide family leave and still having coverage in the work environment). The new part defines an employer as provided in the federal Fair Labor Standards Act, which generally may cover all employers, large or small.
- There are additional types of leave in the proposal, which could still be covered under the current family leave so it is redundant.

DLIR suggests that the requirement for sick leave be separated into a new chapter of law, as written in House bill H.B. 2089, H.D. 1.

With the sick leave provision in a new chapter, the amendment can then be more fully tailored to just sick and safe leave should the legislature choose to act on this matter. The Family Leave Law may still have an expanded coverage by amending it to allow the employee to use family leave for his or her own serious injury or illness.

The DLIR defers to the Department of Human Resources Development as to the applicability to State employment issues and to the Department of the Attorney General regarding the section on pages 20 and 21 on being able to file complaints directly to that office.

HAWAII
STATE
COMMISSION
ON THE
STATUS
OF
WOMEN



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CARMILLE LIM
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Executive Director
Catherine Betts, Esq.

Email:
DHS.HSCSW@hawaii.gov
Web:
www.hawaii.gov/dhs/women/
HSCSW

235 S. Beretania #407
Honolulu, HI 96813
Phone: 808-586-5758
FAX: 808-586-5756

February 8, 2012

Testimony in Support of SB2507

To: Senator Clayton Hee, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Members of the Senate Committee on Judiciary and Labor

From: Catherine Betts, Esq., Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in Support of SB 2507, Relating to Health

On behalf of the Hawaii State Commission on the Status of Women, I would like to thank the committee for this opportunity to provide testimony on this important issue. I would like to express my strong support of this bill, which would require employers to provide paid sick and safe leave to employees in specific circumstances.

If passed, this bill would enable victims of domestic violence, sexual assault or stalking to participate in legal proceedings, receive medical treatment or obtain other necessary services. A minimum of paid sick and/or safe leave would also allow victims to maintain some sense of financial independence without fear of firing for taking time off.

Maintaining a job can be extremely difficult for victims of violent crime. In 2009, the Department of Justice found that of the 79% of stalking victims who had a job, one in eight lost time from work. More than half of the victims surveyed lost five or more days from work.¹ In 2007, between 15.2% and 27.6% of women surveyed lost a job due to abuse.² Allowing a minimum amount of paid time off is crucial for victims and their families or caregivers to recover from abuse. Additionally, it is a sound public policy that benefits the community and the workplace. The Commission respectfully requests that this Committee pass SB 2507.

Thank you for this opportunity,

Catherine Betts, Esq.

¹ Katrina Baum, U.S. Dep't of Justice, Bureau of Justice Statistics, *Stalking Victimization in the United States* (2009).

² TK Logan, *et al.* *Partner Stalking and Implications for Women's Employment*, J. INTERPERS. VIOLENCE 22(3): 268-291 (2007).

Catholic Charities has supported bills that provide sick leave for caregivers and other workers all across the country and Catholic Charities Maui is strongly in support of HB 2089 and SB 2507 here in Hawaii.

In fact, the United States Conference of Catholic Bishops (USCCB) has taken a firm stand in support of paid sick leave for all workers. According to the USCCB:

"Public policy should protect people who have to take time away from their jobs to handle serious family responsibilities. Parents should not have to worry about being penalized for taking care of themselves, a sick child or spouse. Such legislation would not only help family life but would send a message that children and families are real priorities within our society. "

Please pass this important bill and help guarantee basic rights to our brothers and sisters who deserve this option.

Thelma Akita-Kealoha
Catholic Charities Hawaii
211 Kaulawahine St
Kahului, Hawaii 96732

Catholic Charities Hawaii
211 Kaulawahine Street,
Kahului, Hawaii 96732

DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET 10TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-8500 • FAX: (808) 768-5563 • INTERNET: www.honolulu.gov/hr

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NOEL T. ONO
DIRECTOR
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ASSISTANT DIRECTOR

February 9, 2012

The Honorable Clayton Hee, Chair
and Members of the Committee
on Judiciary and Labor
The Senate
State Capitol
Honolulu, Hawaii 96813

Dear Chair Hee and Members:

Subject: Senate Bill 2507, Relating to Health

Senate Bill 2507 requires employers to provide a minimum amount of paid sick and safe leave to employees, including time for family care and absences necessary due to domestic violence, sexual assault, or stalking. The City and County of Honolulu, Department of Human Resources, respectfully opposes this bill to the extent that it applies to public sector employees.

The City is concerned that Senate Bill 2507 involves a matter that is subject to collective bargaining, and therefore, should not be legislated. In addition, City employees are sufficiently covered by Federal and State laws which afford them time off to care for themselves and their family members and to recover as a victim of domestic violence. Lastly, public sector employees are already entitled to generous leave provisions which have been negotiated into the respective collective bargaining agreements. Our employees are given 21 days of sick leave and 21 days of vacation per year, which may be used for purposes described in this bill.

The City respectfully requests that Senate Bill 2507 be held or amended to exclude public sector employees.

Thank you for the opportunity to testify.

Yours truly,

A handwritten signature in black ink, appearing to read "Noel T. Ono".

Noel T. Ono
Director



888 Miiilani Street, Suite 601
Honolulu, Hawaii 96813-2991

Telephone: 808.543.0000
Facsimile: 808.528.4059

www.hgea.org

The Twenty-Sixth Legislature, State of Hawaii
The Senate
Committee on Judiciary and Labor

Testimony by
Hawaii Government Employees Association
February 9, 2012

S.B. 2507 – RELATING TO HEALTH

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2507, which requires employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member who is ill, needs medical care, or is a victim of domestic violence, sexual assault, or stalking.

The HGEA represents more than 25,000 public employees that enjoy that same benefit of paid sick leave for healthcare for themselves, but not for their family members. No one should have to choose between their family's well-being and their job. Providing paid sick and safe leave for self-care as well as for family welfare supports workers and our community as a whole.

We support the intent of the bill; however, its definition of "Employee" (page 7, lines 5-9) is problematic. It excludes from coverage individuals who are "not subject to the civil service laws of the State, political subdivision, or agency which employs" them. There is a significant segment of public employees in bargaining units we represent that have been excluded from civil service, under Chapter 76-16, HRS.

Overall, providing paid sick and safe leave is a desirable investment in the health and welfare of our community. We urge you to pass this measure with a change to the definition of employee to include all bargaining unit employees subject to Chapter 89, HRS. Thank you for the opportunity to testify in support of the intent of S.B. 2507.

Respectfully submitted,

Leiomalama E. Desha
Deputy Executive Director



February 9, 2012

Committee on Judiciary and Labor
Sen. Clayton Hee, Chair
Sen. Maile S.L. Shimabukuro, Vice Chair

RE: Testimony in **Opposition** to SB 2507

Chair Hee, Vice Chair Shimabukuro & Members of the Committee.

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Thank you for the opportunity to testify on this bill. My name is Malcolm Barcarse, Jr. I am the 2012 Board Chair and Legislative Committee Chair for Associated Builders and Contractors Hawaii Chapter. We are an association of over 150 members representing Merit Shop Contractors in the State of Hawaii.

This measure requires employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member. Essentially, this measure will apply to many small businesses with less than 10 employees that do not have a sick leave policy.

Businesses generally offer paid leave (ie. Vacation, sick leave, PTO) to employees to create a healthy work environment and to foster a positive relationship with its employees. They understand that employees will require occasional leave from work due to a legitimate sickness or other reasons, and generally accommodate and work with them.

This “one-size fits all” approach, however, will hinder an employer’s flexibility in providing this benefit and result in additional costs, direct and indirect. It will be another mandate placed on businesses among others that already exist.

Small businesses are especially vulnerable to any increase in costs, especially those who operate on low margins. Passage of this measure may force many small employers to offset higher costs through lower wages to their employees, fewer work hours, less pay raises, decreased discretionary benefits, and higher health care costs, or even increased costs for consumers. Even worse, for those companies on the “tipping point,” any increase may force them to close shop.

America's Best Contractors

Moreover, for employers that already provide the benefit, this measure adds another layer of administrative burden. Many small businesses do not have the human resources capacity or additional resources to keep up with the regulatory requirements.

Next, the measure does not allow employers to verify whether the employee is taking “sick and safe leave” for the first 3 days of absence. The bill prohibits employers from requiring reasonable documentation unless the “sick and safe leave” exceeds three consecutive days. And, it penalizes the employer for asking to verify whether someone is truly sick by requiring the employer to pay for the doctor’s note.

At a time when the State is placing an emphasis on jobs and the economy, this measure and any other mandate that creates perceived or real additional costs, will undermine those efforts, hinder economic progress and entrepreneurial activity, and deter business investment in our State. During this uncertain state of the economy, the passage of this measure and other cost burdens would be unfortunate and devastating for Hawaii’s economic climate.

Presentation to the Committee On Judiciary and Labor
Thursday, February 9, 2012, at 9:30 a.m.
Testimony on Bill S.B. 2507

In Opposition

TO: The Honorable Clayton Hee, Chair
The Honorable Maile S.L. Shimbukuro, Vice Chair
Members of the Committee

My name is Gary Y. Fujitani, Executive Director of the Hawaii Bankers Association (HBA), testifying in opposition to SB 2507, which requires employers to provide a minimum amount of paid sick and safe leave to employees.

The intent of the bill is laudable as evidenced by many businesses already providing leave for employees due to sickness or to attend to a family member.

If this bill were to become law, sick leave would be broadened to become paid family medical leave because a healthy employee may use sick leave to be a caretaker which is inconsistent with the purpose of sick leave. Currently, an employee may take leave, albeit unpaid, to be a caretaker. While we believe that it is admirable to be a caretaker, if an employee may use sick leave to perform such task, companies with generous sick leave plans will be forced to reduce it to avoid harmful impact on its workforce.

Most businesses realize that their employees are the key to their success, therefore, to attract and retain quality staff, employers needs to be competitive in both wages and benefits. It is just good business practices for an employer to be flexible in dealing with staff.

Consequently, for employers who already provide the benefit, it adds another layer of administrative burden and cost to comply. It also prohibits employers from requiring reasonable documentation in situation where an employee may show a pattern of being "ill" on a Friday or Monday, as an example.

We respectfully request that this measure be held in Committee due to the significant implementation challenges, administrative burden and added cost.

A handwritten signature in black ink, appearing to read 'Gary Y. Fujitani', with a horizontal line extending to the right.

Gary Y. Fujitani
Executive Director



9to5, National Association of Working Women

207 E. Buffalo Street, Suite 211, Milwaukee, Wisconsin 53202

▪ (414) 274-0933 ▪ Fax (414) 272-2870

February 08, 2012

Hawaii State Legislature
Senate Committee on Judiciary and Labor

Re: Support for S.B. 2507, Paid Sick and Safe Leave

Dear Committee Members:

On behalf of the members and constituents of 9to5, National Association of Working Women, I urge you to adopt S.B. 2507, Paid Sick and Safe Leave, as amended by the language in H.B. 2089 H.D. 1.

9to5 is a 38-year-old national, membership-based organization of low-income women, working to improve policy on issues related to ending discrimination, strengthening the safety net, and creating good jobs with policies that promote family-flexibility. We strongly support legislation that would allow workers to earn paid sick and safe days so they can care for their own and their family's health needs without risking their jobs or their pay. In these tough economic times, we must take steps to protect the public health *and* protect jobs.

Consider these examples of the many problems facing working Americans, particularly low-wage working women, who lack paid sick and safe days on the job:

- Tahirah was employed at a fast food restaurant but lacked paid sick days – a particular problem because her 4-year-old daughter suffers with asthma. After several instances where her employer refused to allow Tahirah to leave work when her daughter became ill at her preschool, Tahirah was forced to quit and move to a part-time job that still didn't offer paid sick days or pay as much, but at least allowed Tahirah unpaid time to care for her daughter when she's ill.
- Latisha was pregnant when she contracted the flu. The problem: she lacked paid sick days. She had no choice but to report to work, but she worried about passing the flu to her co-workers. Still, with two children to care for and another on the way, she worried more about what it would mean to her family if she lost pay or lost her job simply because she got sick.
- Angel represents all the American workers struggling mightily to keep themselves healthy in unhealthy environments because they lack access to paid sick days. She uses hand sanitizer constantly, and dons a plastic protective mask whenever there's a sick co-worker nearby. Still, she works in fear. "I am absolutely terrified of getting sick because I don't make much money, don't have paid sick days and might lose my job if I get sick and have to stay home."

Tahirah, Latisha and Angel aren't alone. Nearly 4 in 10 private-sector workers, and over 80% of low-wage workers, lack paid sick days to recover from common, short-term illnesses; millions more lack a paid sick day they can use to care for an ill child. The time is now to establish a basic standard of paid sick days. Please support this vital legislation. Thank you for your consideration. Feel free to contact me if you would like to discuss this matter further.

Sincerely,

Linda Meric, Executive Director



P.O. Box 7474
Hilo, Hawaii 96720-8945
Ph:(808) 934-9199 Fax:(808) 315-8183

February 8, 2012

Re: **OPPOSITION of HB2089**

To Whom It May Concern:

I am the owner of BikeVolcano.com, Inc., who employs 6 people in the community on the Big Island. I oppose HB2089.

I have just completed reading about your proposed bill in my local paper and I couldn't believe my eyes. You law makers are so out of touch with what is happening in our economy that you came up with the most ludicrous idea to penalize the very businesses who are keeping this economy alive. "Are you out of your minds?"

What small business can afford to pay a person to take time off and pay another person to do their job, plus pay the entire tax burden that goes with it? Are you law makers trying to drive us all out of business? Maybe that is your goal because that is what will happen if you pass a law of this nature.

If you senators what to waste our tax dollars by paying all your state and county employees sick leave by all means continue to do what you have been doing and approve the law for your employees. I know several people who work for the state and county that simply milk the system for all its worth, which includes getting fake doctors notes to substantiate their pseudo sick days. Or how about the county workers that I saw the other day sitting down talking story at a park bench at 8:00am while they should be working (their break lasted 30 minutes).

When you have no more tax dollars to pay for your sick leave because all of us small businesses are no longer contributing to the pot, think about this bill as the culprit. I am sure that my employees will also agree that they rather have a job then to have a promise of sick leave and no job at all.

The sick leave theory will never work with my business so I will probably be forced to hire people for 79 days then lay them off and hire new temporary employees to avoid paying the sick leave proposed. In summary, if you would like to have more unemployed people and you support forcing small companies out of business pass this law. I will remember all of your names when it is time for your re-election.

Sincerely,

Gwendolyn Hill
President
BikeVolcano.com, Inc.



Hawaii Cattlemen's Council, Inc.

P O Box 437199 Kamuela HI 96743

Phone (808) 885-5599 • Fax (808) 887-1607

e-mail: HCattlemens@hawaii.rr.com

SENATE COMMITTEE ON JUDICIARY

Thursday February 9, 2012 9:30 am Room 016

SB 2507 RELATING TO HEALTH

Chairman Hee, Vice Chair Shimabukuro and Members of the Committee:

My name is Alan Gottlieb, and I am a rancher and the Government Affairs Chair for the Hawaii Cattlemen's Council. The Hawaii Cattlemen's Council, Inc. (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our 130+ member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of approximately 25% of the State's total land mass.

The Hawaii Cattlemen's Council **strongly OPPOSES SB 2507.**

While all businesses, large and small, would love to provide employees with the standard of benefits provided by this bill, the reality is that it would bankrupt many of our small businesses, especially agricultural businesses, which are already at a competitive disadvantage with imports from outside the State from places who do not have this standard, if any standard at all.

As the bill points out, good employee benefits lead to good worker retention, and we all want to retain our employees, so we offer them the benefits common here and with the places with whom we compete. If we are not competitive benefit-wise, we will not find workers, so we provide what we can.

Please defer this measure. It will put us out of business.

Thank you for giving me the opportunity to testify on this very important issue.



TAKAMINE CONSTRUCTION, INC.

Testimony to the Senate Committee on Judiciary & Labor

Thursday, February 9, 2012

9:30 a.m.

State Capitol, Room 016

RE: S.B. 2507, Relating to Health

Good morning Chair Hee, Vice Chair Shimabukuro, and members of the committee:

My name is Craig Takamine, President of Takamine Construction, Inc. Takamine Construction, Inc. is a general contracting company on the Big Island of Hawaii. We are a small business that employs less than 20.

Takamine Construction, Inc. is **strongly opposed** to S.B. 2507, which proposes to require employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member. Essentially, this measure will apply to many small businesses with less than 10 employees that do not have a sick leave policy.

Businesses generally offer paid leave (i.e. vacation, sick leave, PTO) to employees to create a healthy work environment and to foster a positive relationship with its employees. They understand that employees will require occasional leave from work due to a legitimate sickness or other reasons, and generally accommodate and work with them.

This "one-size fits all" approach, however, will hinder an employer's flexibility in providing this benefit and result in additional direct and indirect costs. This is another mandate placed on businesses among others that already exist.

Moreover, for employers that already provide the benefit, this measure adds another layer of administrative burden. Many small businesses do not have the human resources capacity, or additional resources, to keep up with the regulatory requirements.

S.B. 2507 does not allow employers to verify whether the employee is taking "sick and safe leave" for the first three (3) days of absence. This bill prohibits employers from requesting reasonable documentation unless the "sick and safe leave" exceeds three consecutive days. And, it penalizes the employer for asking to verify whether someone is truly sick by requiring the employer to pay for the doctor's note.

At a time when the State is placing an emphasis on jobs and the economy, this measure, and any other mandate that creates perceived or real additional costs, will undermine those efforts, hinder economic progress and entrepreneurial activity, and deter business investment in our State. During this uncertain state of the economy, the passage of this measure would be unfortunate and devastating for Hawaii's economic recovery.



TAKAMINE CONSTRUCTION, INC.

Small businesses are especially vulnerable to any increase in costs, especially those who operate on low margins. This measure may force many small employers to offset higher costs through lower wages to their employees, fewer work hours, less pay raises, decreased discretionary benefits, and higher health care costs, or even increased costs for consumers. Even worse, for those companies on the “tipping point,” any increase may force them to close shop.

For the foregoing reasons, Takamine Construction, Inc. is **strongly opposed** to S.B. 2507.

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

Testimony to the Senate Committee
Thursday, February 9, 2012
RE: Senate Bill 2507

Relating to: Senate Bill 2507 HD1 Relating to Health

My name is Monica Toguchi and my family owns Highway Inn. This bill is not conducive to growing jobs or keeping Hawaii's small business environment competitive. Although our company already provides sick leave and time off when our employees require it, more regulation is not the answer. Each business should determine for themselves, what types of benefits they are able to afford.

Accordingly, when new labor legislation is introduced, the amount of regulatory and administrative burden increases for BOTH government and businesses. Like most bills introduced this year, **this is the wrong solution at the worst time in our economic recovery**: It clearly contradicts the goals the legislature set forth this year and undermines it. It also proves another longstanding assumption held by our community: Government's lack of understanding of the symbiotic relationship between government and business which makes Hawai'i one of the worst places (in the country) to do business.

As a small business, I pay over \$10,000 in combined taxes every month in GET and state payroll taxes (and this does not include federal taxes). The ability to remain profitable allows me to support our government, its infrastructure and provide jobs to my staff of 35 people who are productive and tax paying citizens (vs. on welfare and unemployed). The macro view is pretty simple to understand and yet, every year there are legislative threats to remaining viable.

To survive and thrive, all businesses must become internally competitive in regards to wages and benefits. This reality inspires and self-regulates most of us to do good for our employees. For those companies who take advantage of their staff; high turnover and low employee morale and productivity will eventually lead to deleterious consequences. Government regulations exist to prevent gross exploitation of human capital, not to hinder economic activity which benefits our state through taxes and jobs.

I oppose SB2507. More regulation is not the answer to our state's economic recovery: It only serves to increase costs and administrative burden for both government and business. Thank you for the opportunity to testify.



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February 8, 2012

Senate Bill 2507 Relating to Health Paid Sick and Safe Leave

Hearing on February 9, 2012 at 9:30AM in room 16

Testimony provided by the Hawaii Restaurant Association in opposition

The Hawaii Restaurant Association opposes Senate Bill 2507 as onerous on all businesses affected and duplicative on large employers.

Small businesses in Hawaii, those with fewer than 10 employees who do not typically provide paid time off will need to give up to 5 days off. That's a huge expense. Other employers who already have a paid leave policy will need to provide at employees a minimum of 1 hour for every 30 hours worked and up to 72 hours in a calendar year, unless the employer already provides a higher limit. As well, businesses that already provide this benefit it adds another layer of clerical burden

Peculiarly, it does not allow a business to require reasonable documentation of an absence unless the time away from PAID work exceeds three days. The amount of leeway granted to the employee is not provided for the employer. That is, the bill is not balanced. It unfairly favors the individual over the rationale needs of the business. Along the same line it requires the employer to pay for the doctor's note (when, genuinely, that is not something that anyone should charge for).

Finally, it will require businesses of all sizes to provide this benefit even to casual employees, those who work for as little as 80 hours per year!

Respectfully submitted,

Roger Morey
Executive Director

Testimony of Glenn Ida
45-284 Pahikaua Street
Kaneohe, Hi. 96744

IN SUPPORT OF SB 2507

Before the Senate Committee on Judiciary and Labor
Thursday, Feb. 9, 2012
9:30 AM, Room 016

Aloha Chair Hee, Vice-Chair Shimabukuro and Members of the Committee,

My name is Glenn Ida and I Support, SB 2507, which requires employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member who is ill, or is a victim of domestic violence sexual assault, or stalking.

In today's economy, there are too many households with only one income or families just getting by. An illness to anyone in that family could lead to economic stress as well as emotional hardships that may compromise a workers ability to function in the workplace.

Many adults are or will become caregivers for the elders in our families. Many are by choice, but many become caregivers by circumstances beyond their control.

I believe that SB 2507 will allow employees to make better choices for themselves and their loved ones.

Therefore I **Support SB 2507**.

Thank you for this opportunity to testify.

Glenn Ida
808-295-1280

February 8, 2012

HADA Testimony in OPPOSITION
to SB2507

RELATING TO HEALTH

Presented to the Senate Committee on Judiciary & Labor

At the public hearing 9:30 a.m., Thursday, February 9, 2012

in Conference Room 016, Hawaii State Capitol

Submitted by David H. Rolf, for the Hawaii Automobile Dealers Association

Hawaii's Franchised New Car Dealers

Chair Hee, Vice Chair Shimabukuro, and members of the committee,

I'm David Rolf, representing Hawaii's franchised new car dealers.

HADA believes that while requiring mandatory sick leave initially sounds benign, such a government mandate would create adverse consequences for businesses and employees alike.

No government-mandated "one-size-fits-all" sick leave policy will work for the variety of employee benefit plans that have been implemented for employees over the years. In Hawaii there are 62 franchised new car dealerships—owned and operated by 29 ownership entities--mostly long-time family-operated businesses. All have different sick day / vacation time / paid time off policies.

All would be affected by this bill.

Employers, like auto dealers, who already have a paid leave policy will need to provide employees a yet-to-be-determined minimum sick leave hours.

One dealer noted that his dealership's policy of 40 hours of paid time off seems adequate and that requiring additional hours of sick leave would have the adverse effect of encouraging absenteeism.

Research found that in San Francisco, over 28 percent of employees in the "bottom wage quartile" faced layoffs or total hours reduced as a result of the paid sick leave mandate. (San Francisco's Paid Sick Leave Ordinance: Outcomes for Employers and Employees, page 13).

HADA respectfully requests that the committee hold SB2507 to avoid adversely affecting employees and creating adverse consequences for businesses.

Respectfully submitted,

David H. Rolf

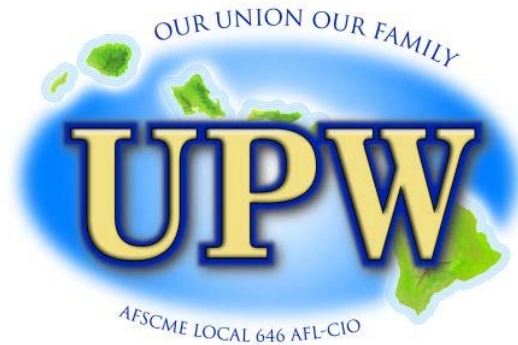
For the members of the Hawaii Automobile Dealers Association

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THE HAWAII STATE SENATE
The Twenty-Sixth Legislature
Regular Session of 2012

COMMITTEE ON JUDICIAR & LABOR
The Honorable Sen. Clayton Hee, Chair
The Honorable Sen. Maile S. L. Shimabukuro, Vice Chair

DATE OF HEARING: Thursday, February 9, 2012
TIME OF HEARING: 9:30 a.m.
PLACE OF HEARING: Conference Room 016

TESTIMONY ON SB 2507 RELATING TO HEALTH

By DAYTON M. NAKANELUA,
State Director of the United Public Workers,
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

The UPW supports the passage of SB 2507, which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill, needs medical care, or is a victim of domestic violence, sexual assault, or stalking.

Providing employees with sick leave helps ensure that they are healthier and more productive while at work. It also reduces the spread of illnesses in the workplace. Every employee should be afforded sick leave benefits. It is the right thing to do.

Accordingly, the UPW supports the passage of SB 2507.

Thank you for the opportunity to testify on this measure.



MOLOKAI CHAMBER OF COMMERCE

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**Testimony to the Senate Committee on Judiciary and Labor
Thursday, February 9, 2012
9:30 a.m.
State Capitol - Conference Room 016**

RE: SENATE BILL NO. 2507 RELATING TO HEALTH

Chair Hee, Vice Chair Shimabukuro, and members of the committee:

My name is Robert Stephenson and I am the President of The Molokai Chamber of Commerce. I am submitting testimony to state The Molokai Chamber's opposition to Senate Bill No. 2507 relating to Health.

The Molokai Chamber of Commerce is Molokai's most trusted business organization, representing nearly 100 businesses. Most of our members are small businesses with less than 20 employees. As Molokai's "Advocate for All Things Business" the organization works on behalf of its members, which employ approximately 500 individuals, to improve the Molokai economic climate and to help to provide a stable environment in which to conduct the exchange of lawful commerce.

Most of our businesses on Molokai are Small Businesses and they operate on low margins. This makes them especially vulnerable to any increase in costs. This measure could force them to offset these higher costs of compliance with lower wages, fewer hours, and even increased costs to customers. Businesses on the verge of survival may even have to close. Though well intended it may be, we're just not in a business climate where this measure is manageable. Especially due to the recent loss of over \$100,000 to our local businesses as a result of unlawful protests. These are the realities that our Molokai businesses face.

Additionally, the added administrative costs and increased workload of compliance could make the difference between companies keeping employees and increasing staffing levels, or laying people off altogether, placing an even greater burden on our state unemployment resources.

In a time when we are all focusing on job creation and economic growth, this measure would surely have the opposite effect.

The Molokai Chamber of Commerce respectfully requests that this measure be held.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Stephenson', with a long horizontal flourish extending to the right.

Robert Stephenson, President



Hawaii Farm Bureau
F E D E R A T I O N

2343 Rose Street • Honolulu, Hawaii 96819
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Testimony to the Senate Committee on Judiciary & Labor
Thursday, February 9, 2012
9:30 a.m.
State Capitol, Room 016

TESTIMONY on SB 2507 - RELATING TO HEALTH

Aloha Chair Hee, Vice Chair Shimabukuro, and members of the committee:

I am Brian Miyamoto, representing the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,800 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF is **strongly opposed to S.B. 2507**, which proposes to require employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member. We do not oppose sick leave benefits; we are opposed to the mandatory requirement and the One-size fits all; this does not work for agriculture producers. This measure will apply to many of our small agriculture producers, ranchers and farmers with less than 10 employees that do not have a sick leave policy. They are ill equipped to handle addition costs and human resource administration. Small agriculture businesses are especially vulnerable to any increase in costs, especially those who operate on low margins. This measure may force many small employers to offset higher costs through lower wages to their employees, fewer work hours, less pay raises, decreased discretionary benefits, and higher health care costs, or even worse, for those companies on the "tipping point,".

Our producers compete against imported goods which are not burdened by our regulations. How can our producers compete against cheaper imported goods and continue to produce quality local food to feed our communities?

This bill has the ability to cause unintended consequences and hinder economic progress and entrepreneurial activity. During this uncertain state of the economy, we respectfully ask that you **oppose** this bill. Thank you for this opportunity to submit testimony.

From: mailinglist@capitol.hawaii.gov
To: [JDLTestimony](#)
Cc: cwatanabe@unitehere5.org
Subject: Testimony for SB2507 on 2/9/2012 9:30:00 AM
Date: Wednesday, February 08, 2012 10:49:45 AM

Testimony for JDL 2/9/2012 9:30:00 AM SB2507

Conference room: 016
Testifier position: Support
Testifier will be present: No
Submitted by: Cade Watanabe
Organization: UNITE HERE Local 5
E-mail: cwatanabe@unitehere5.org
Submitted on: 2/8/2012

Comments:

UNITE HERE Local 5 stands in support of SB 2507 that would allow all of Hawaii's workers to earn a few sick days each year. This is a basic right that all workers deserve. Mahalo.

Testimony for JDL 2/9/2012 9:30:00 AM SB2507

Conference room: 016

Testifier position: Support

Testifier will be present: No

Submitted by: Marvin Lee Foltz

Organization: Individual

E-mail: marvinleefoltz@gmail.com

Submitted on: 2/8/2012

I am writing in support of this bill, in that it provides a basic minimum standard of benefit for workers to accrue sick pay for work done. This is a minimum standard that supports health and family life.



Big Island Farm Bureau

Phone: 808-885-8015
E-mail: bifb@hawaiiintel.net
P.O.Box 1630
Kamuela, HI. 96743

Testimony to the Senate Committee on Judiciary & Labor
Thursday, February 9, 2012
9:30 a.m.
State Capitol, Room 016

TESTIMONY on SB 2507 - RELATING TO HEALTH

Aloha Chair Hee, Vice Chair Shimabukuro, and members of the committee:

My name is Lorie Farrell; I am the Executive Director for the Big Island Farm Bureau (BIFB); We are the largest general agriculture organization on Hawaii Island; striving to be the Voice of Agriculture and represent over 600 agricultural members & producers on the Island of Hawaii. We are unique in representing all agricultural commodities & utilize our diverse membership base to direct our policies. The Big Island Farm Bureau is directly related to the Hawaii Farm Bureau Federation and affiliated with the American Farm Bureau Federation.

BIFB is **strongly opposed to S.B. 2507**, which proposes to require employers to provide a minimum amount of paid sick and safe leave to employees to be used to care for themselves or a family member. We do not oppose sick leave; we are opposed to the mandatory requirement. This measure will apply to many small agriculture producers, ranchers and farmers with less than 10 employees that do not have a sick leave policy. These producers are ill equipped to handle addition human resource administration & costs. Small agriculture businesses are especially vulnerable to any increase in costs, especially those who operate on low margins. This measure may force many small employers to offset higher costs through lower wages to their employees, fewer work hours, less pay raises, decreased discretionary benefits, and higher health care costs, or even worse, for those companies on the "tipping point,".

Our producers are already competing against imported goods which are not burdened by our regulations and benefit costs; how can our producers compete against cheaper imported goods and yet continue to produce food to feed our communities?

This bill appears to have the ability to cause unintended consequences and hinder economic progress and entrepreneurial activity. During this uncertain state of the economy, the passage of this measure would be unfortunate and problematic for Hawaii's economic recovery.

We respectfully ask that you oppose this bill. Thank you for this opportunity to submit testimony. Please contact me via [email](mailto:bifb@hawaiiintel.net) or phone at (808) 885-8015.

*Mahalo,
Lorie Farrell*