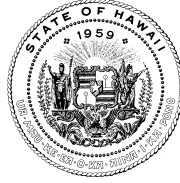


DAVID Y. IGE
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February 24, 2016

To: The Honorable Gilbert S.C. Keith-Agaran, Chair,
The Honorable Maile S.L. Shimabukuro, Vice Chair, and
Members of the Senate Committee on Judiciary and Labor

To: The Honorable Jill N. Tokuda, Chair,
The Honorable Donovan M. Dela Cruz, Vice Chair, and
Members of the Senate Committee on Ways and Means

Date: Wednesday, February 24, 2016

Time: 10:00 a.m.

Place: Conference Room 211, State Capitol

From: Linda Chu Takayama, Director
Department of Labor and Industrial Relations (DLIR)

Re: S.B. No. 2961 SD1 Relating to Family Leave

I. OVERVIEW OF PROPOSED LEGISLATION

SB2961 SD1 proposes to amend the Hawaii Family Leave Law, chapter 398, Hawaii Revised Statutes (HRS), to provide for partial wage replacement via an employee-funded family leave trust fund for up to twelve weeks a year. Eligibility for family leave benefits is for employees of employers of one or more employees, who have worked at least six months, or self-employed individuals who have opted in, or a person to whom an employee designates as a beneficiary.

The proposal specifies that the amount of family leave benefit contributions by employees equals that of the Temporary Disability Insurance (TDI) law and cannot exceed one-half of one percent of the employees' wages. The benefits also match TDI, which is generally 58% of the average weekly wage, but not more than the limits set by the workers compensation law, generally 66 2/3% of an employee's average weekly wage.

The measure also expands eligibility for care of siblings, military deployments and exigencies.

The measure allows for use of TDI then twelve weeks of family leave to bond with a child.

DLIR has further analyzed the measure and believes at this time it is not viable and contains numerous problematic provisions.

II. CURRENT LAW

The current Hawaii Family Leave Law (HFLL) allows qualifying employees working for employers with 100 or more employees with four (4) weeks of job-protected, unpaid leave to care for a sick family member or for the birth or adoption of a child. Except in certain situations, the law also requires an employer who provides sick leave to employees to permit an employee to choose to use up to ten days of accrued and available sick leave for family leave purposes.

There is an exception to the use of sick leave when the employer utilizes sick leave as its TDI plan. In this situation, the employee can only elect to use sick leave that is in excess of the minimum required by TDI. It is possible that the employee has sick leave but cannot use any of it for family leave purposes because the employee has no administratively determined excess sick leave. The law also permits the use of other kinds of leaves as well.

III. COMMENTS ON THE SENATE BILL

As requested by the Committees on Human Services and Commerce, Consumer Protection, and Health, the department has undertaken further analysis on the measure and believes the measure is not viable and contains numerous problematic provisions. DLIR notes that it has not completed its analysis of the proposal at this time.

- Assuming that the benefit equaled 58% of the weekly wage and the employee earned at the State maximum weekly wage (currently \$812), the employee would have to contribute 13%* of their salary before taxes to totally fund the leave provided for in the measure. However, there are no qualifiers in the draft, therefore, any employee or designee could take the twelve weeks of benefits upon the effective date of the Act.

* $\$812 \times .58 \times 12 = \$5,652$ (wage replacement)

$\$812 \times 52 = 42,224$ (annual salary) $\$5,652/\$42,224 = 13.38\%$

- DLIR estimates that it would require at least 200 additional staff to administer the program. The Unemployment Insurance Division has approximately one-third of 140 staff dedicated to administering the Unemployment Compensation Trust Fund contributions for approximately 30,000 employers. This measure would require the administration of

600,000 family leave accounts, which is a 1900% increase in the number of administered accounts compared to the unemployment account function.

- Further, Hawaii's Family Leave Law currently allows taking the leave in hourly increments, so in addition to the 1900% increase in accounts, those accounts would be much more complicated to administer. Every time any of 600,000 employees took an hour off the department would have to process the use of that leave. In contrast, the unemployment program processes contributions from employers on a quarterly basis.
- There are no provisions in the measure for employees with more than one job, as is the case in Workers' Compensation law.
- The proposal would necessitate the creation of an information technology system to administer the proposed program. The Unemployment Program estimates that creating a new information program would cost \$40 million to develop. By extrapolation, an information technology program for the purposes of this measure would be more complex and possibly cost \$80 million or more to develop.
- The administrative complexities entailed in operating and managing a program as outlined in the proposal would create an extreme administrative burden as explained above. DLIR notes such a system would require the following sections and functions in addition to one dedicated to the management of the trust fund:

Employee Contribution Section:

- Account Registration
- Report Intake and Processing
- Cashiering, Delinquency, Collection, Monitoring and Compliance
- Trust Fund Monitoring and Compliance
- Appeals

Benefit Section

- Intake of claims
 - Claims processing
 - In-house adjudication
 - Monitoring and compliance
 - Processing and disbursement of benefits
- The proposed 398-A Designation of a designated person would allow an employee to designate anybody as to person for whom care would be provided. This would add to the already onerous administrative burden.
 - As drafted and in addition to designees, anybody could be eligible for benefits under the proposed 398-C(2). Page four, lines six is probably a

technical error and should read “and” instead of “or.” 398-C(3) also permits individuals who are no longer employed to obtain benefits as long as otherwise qualified.

- On page 10, line 19, the definition of “employer” reduces the number of employees to qualify for family leave from 100 to 1. This broadens the scope of the law and would have a negative impact on small businesses.
- The proposed 398-G permits self-employed persons to elect coverage under chapter 398. DLIR is unsure of how the income and benefit amounts would be derived for this population.
- The bill also proposes that employee contributions to the fund are to be the same as the employee contributions to the TDI fund, however, employees often do not contribute to a TDI fund. Employers are able to withhold up to one-half the cost but no more than .5% of weekly wages to provide TDI benefits. Many choose not to do so.

Deductions are only allowed when an employee is eligible for TDI benefits. When the TDI law, which covers only disabled employees, was enacted in 1969, 10% of disability cases were estimated to last more than seven days. The proposed family leave insurance program vastly increases the population of those entitled to benefits while reducing the contribution amount (only .5%), therefore, the financial solvency of the family leave law does not appear to be viable.

- On page 13, lines 9-15, the deleted text under Section 398-4(c) should be reinstated. This protects the employee’s TDI benefit under an employer’s self-insured TDI plan utilizing sick leave by reserving sick leave for the employee’s absence due to the employee’s own disability. This would clarify the use of existing sick leave and relate to section 12-27-9(c), Hawaii Administrative Rules, which states, “ For employers who are self-insured for temporary disability insurance purposes, only the accrued and available sick leave that is in excess of the temporary disability insurance plan approved pursuant to chapter 392, HRS, is available for family leave.”
- Section 398-A allows an employer to establish a process for the covered individual to designate a designated person. However since unemployed individuals can claim benefits and since the department, not the employer, will administer claims, it may be prudent for the department to establish the process and for the individual to notify the department of the individual’s designated person.
- To clarify that a mother can collect family leave insurance benefits if she has exhausted TDI but is still disabled from working the department suggests amending the proposed 398-4(d) to “Nothing in this chapter shall prevent a biological mother receiving temporary disability benefits for recovery from childbirth from applying for and receiving paid family leave for

the purpose of caregiving and bonding with her child after the period during which temporary disability [~~time period has lapsed~~] insurance benefits are compensable has ended."

- Section 398-D(c) requires the sharing of information with the TDI program. The TDI program has little to no information to share because TDI claims are processed and paid by private insurers and by self-insured employers.
- Section 398-G adds coverage for self-employed persons. Many of these individuals are not registered with the DLIR and a separate database would have to be created to track these individuals separately from the registered employer database.
- As drafted, the measure makes it possible for the individual to decline taking leave from a job, but to collect family leave insurance benefits. The bill does not state that the employee is prohibited from earning wages during the time the employee is claiming benefits.
- The proposal allows the employee to substitute any accrued paid leave for paid family leave. However, this may conflict with 392-41(b)(2), HRS, which requires an employer with an approved self-insured plan to limit the use of sick leave for purpose of chapter 398 to only the sick leave that is in excess of the minimum TDI benefit.
- Duplication of benefits:
 - The proposal allows for the use of TDI and family leave concurrently. Section 392-28, HRS, does not allow for duplication of benefits under the TDI law. A similar section should be added that an individual cannot receive family leave insurance benefits while receiving TDI, WC or UI benefits. Further, because employers have many different kinds of leave policies, the appeals and overall administration of the program would contribute to the complexity of the proposed program and administrative burden.
 - Any individual covered under the proposal would have the incentive to use the benefits after exhausting unemployment benefits, whether or not they have paid for those benefits through contributions.
- The expansion of available benefits (proposed 398-C HRS) would significantly increase the administrative burden outlined above.
- Employees may currently have sick leave in excess of the administratively determined minimum of fifteen days of leave from the first day of illness to use for the purpose of family leave, as drafted, those employees would still be required to pay into the trust fund.



WRITTEN ONLY

DAVID Y. IGE
GOVERNOR

WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON JUDICIARY AND LABOR
AND
WAYS AND MEANS
ON
SENATE BILL NO. 2961, S.D. 1

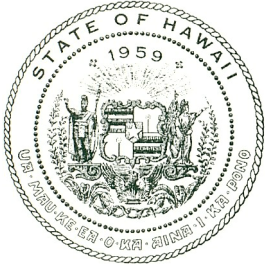
February 24, 2016
10:00 a.m.

RELATING TO FAMILY LEAVE

Senate Bill No. 2961, S.D. 1, establishes: a family leave insurance program to provide up to 12 weeks per calendar year of paid family leave for a covered individual funded by employee contributions via wage withholdings; and the Family Leave Trust Fund administered by the Department of Labor and Industrial Relations. In addition, Senate Bill No. 2961, S.D. 1, appropriates \$300,000 in general funds for FY 17 to be expended by the Department of Labor and Industrial Relations for the purposes of this measure.

The Department of Budget and Finance strongly recommends that this measure be deferred until thorough studies in the following areas are completed: 1) actuarial feasibility; 2) economic impact; and 3) operational requirements. This family leave insurance program would be a significant social program for Hawaii and prudence must be exercised in its implementation.

HAWAII
STATE
COMMISSION
ON THE
STATUS
OF
WOMEN



Chair
LESLIE WILKINS

COMMISSIONERS:

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February 24, 2016

To: Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Members of the Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Committee on Ways and Means

From: Cathy Betts, Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in Strong Support of SB 2961, SD1, Relating to Family Leave

On behalf of the Hawaii State Commission on the Status of Women, I would like to thank the Committees for hearing this bill and for the opportunity to testify in support of SB 2961, SD1, which would guarantee families' ability to provide care to their loved ones without fearing financial setbacks or potential job loss. Paid family leave has been identified as one of the major means to closing the gender wage gap, which is not set to close in Hawaii until 2058. Each year, Hawaii's women lose 1.4 billion dollars annually due to the wage gap. A lack of paid family leave ensures inequality for women, who still disproportionately serve as family caregivers while also serving as the sole or primary breadwinner in 2/3 of working families.

Current Access to Unpaid Family Leave

Currently, employees in Hawaii do not have any right to paid medical or family leave. While the federal Family Medical Leave Act (FMLA, which leaves out 40 percent of the workforce) allows for unpaid leave with job protection up to 12 weeks for employers with 50 or more employees, our own Hawaii Family Leave Law only applies to those with 100 or more employees and allows for 4 weeks of unpaid leave. Only 2% of employers in the State must comply with our Hawaii Family Leave Law, thereby applying to only 16% of the workforce.¹

For employees at firms of less than 100 employees, the decision of whether one receives unpaid maternity leave, paternity leave, or leave to take care of an aging and ill parent or spouse is completely dependent on one's employer. Most people working in Hawaii cannot take unpaid leave and still maintain financial stability. It is clear that our current law needs to be revised and updated to provide true benefit to workers. Our labor laws should reflect our changing workplace demographics.

Nationally and locally, the FMLA's coverage is narrow. As it is written, the FMLA excludes two-fifths of the workforce.² The only partial paid leave is our current Temporary Disability Insurance, or TDI program. However, TDI is time limited and semi-privatized. Further, it is not available for new fathers, nor is it available for family caregiving responsibilities. For most family caregivers, there is no expectation of unpaid or paid family leave. A lack of paid leave for employees hurts the state, hurts families' economic stability, and further hurts small businesses which are unable to compete with larger businesses:

- 42% of employees in Hawaii's private sector lack access to even a single day of paid leave.³
- Low-wage workers are the least likely to have access to family leave. Children in low income families are more likely to miss out on critical time with their parents during their first weeks of life.

Other States Have Successfully Implemented Paid Family Leave Policies with No Economic Disadvantage to Businesses

California, New Jersey, and Rhode Island have all passed strong state policies providing partial wage replacement for family and medical leave purposes. Washington State passed a strong paid family leave policy and multiple other municipalities with strong economies across the nation have also passed paid family leave legislation (Philadelphia, Portland and Oakland are recent cities offering paid leave). California passed the nation's first comprehensive paid family leave program in September 2002, allowing six weeks of wage replacement leave at 55 percent of a worker's usual weekly earnings when a worker needs to take time off of work to bond with a new child or to care for a seriously ill family member. In the more than ten years that this law has been in effect, California has seen economic, public health, and business savings because of this measure. In "Leaves That Pay: Employer and Worker Experiences with Paid Family Leave in California", key findings from California's experience were as follows:

- The business community's concerns, that it (paid family leave) would impose extensive new costs on employers and have serious detriment to small businesses, were unfounded. After five years of this policy in place, employers reported that it had minimal impact on their business operations.⁴
- Small businesses were less likely than larger establishments to report any negative effects.
- The vast majority of respondents to the survey reported that they were not aware of any instances in which employees abused the state Paid Family Leave program.
- The use of paid family leave increased retention of workers in low quality jobs.
- Paid family leave doubled the median duration of breastfeeding for all new mothers who used it.

How SB 2961, SD1, would work in Hawaii:

SB 2961, SD1 would apply to all employees in the state. All employees would pay in to a fund through a small payroll deduction; employers would not. Individual contractors would have the ability to opt in to the program, and could likewise, opt out. When an employee needs to provide care to a family member, spouse or child, the employee would provide medical certification and would then be allowed to "take out" of the partial wage replacement fund that they originally paid into. All contributions to the fund would be 100% employee funded, so businesses in Hawaii would not incur a fiscal note. Employers would not be paying employees during their leave. By allowing for universal eligibility, the program becomes self sustaining, thereby not relying on any state funds to continue operating. **The Institute for Women's Policy Research determined the average weekly deduction from a worker's wages to be 48 cents.** For less than 2 dollars a month, employees would be able to fund their own leave from work to provide care to family members. This is win-win for businesses and employees.

However, it is likely that an increased appropriation would be necessary to fund the administrative and start up costs for a program like this. While other states with TDI have successfully used TDI as a foundation for paid family leave programs, Hawaii's TDI functions differently and would require some updating in order to meet the demands of a paid family leave program. We can look to other states (Colorado, Washington) and municipalities (District of Columbia, Portland, Oakland, Seattle) to examine how they're building out a paid family leave program as a stand alone program vs. building one upon TDI. The Commission respectfully urges you to pass this bill in order to continue the ongoing discussions of how this can be feasible.

History and Background of Act 204- Joint Legislative Committee on Family Caregiving:

In 2007, the Joint Legislative Committee on Family Caregiving was created to develop a "comprehensive public policy to strengthen support for family caregivers" via Act 204. The committee's mandate included exploring the establishment of a paid family leave program under the state temporary disability insurance law,

similar to the program established in California. The preliminary needs assessment data identified “*wage replacement benefits as an appropriate and effective means of supporting family caregivers.*” Other findings included: 55% of family caregivers are employed and 77% had to take off time from work to deal with caregiving responsibilities.

In 2008, Act 243 required the Joint Legislative Committee on Aging in Place to explore the provision of wage replacement benefits to employees who needed to take time off from work to care for a family member with a serious health condition. From that point, the Family Leave Working Group was established as part of the Joint Legislative Committee on Aging in Place to explore wage replacement benefits. The Working Group endorsed short and long term concepts including: the “*establishment of a state sponsored long term care insurance program through employee payroll deductions.*”⁵

Hawaii has the opportunity to join the rest of the world with this legislation, by passing paid family leave and ensuring a commitment to `ohana. Thank you for this opportunity to provide strong testimony in support.

¹ Research & Economic Analysis Division, DBEDT

² Family Values at Work, Updated FMLA Survey Results

³ National Partnership for Women and Families Fact Sheet, available at:

⁴ Eileen Applebaum and Ruth Milkman, *Leaves That Pay: Employer and Worker Experiences with Paid Family Leave in California* (2011).

⁵ Paid Family Leave Working Group of the Joint Legislative Committee on Aging in Place, Report to the Legislature, pursuant to HB 2520 (Act 243), Regular Session of 2008.

From: mailinglist@capitol.hawaii.gov
To: [JDLTestimony](#)
Cc:
Subject: *Submitted testimony for SB2961 on Feb 24, 2016 10:00AM*
Date: Monday, February 22, 2016 11:56:17 AM

SB2961

Submitted on: 2/22/2016

Testimony for JDL/WAM on Feb 24, 2016 10:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Field	Planned Parenthood Votes Northwest and Hawaii	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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TO : SENATE COMMITTEE ON JUDICIARY AND LABOR
Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro , Vice Chair

SENATE COMMITTEE ON WAYS AND MEANS
Senator Jill N. Tokuda, Chair
Senator Donovan Della Cruz, Vice-Chair

FROM: Eldon L. Wegner, Ph.D.,
Hawaii Family Caregiver Coalition (HFCC)

SUBJECT: SB 2961 SD1 Relating to Family Leave

HEARING: 10:00 am Wednesday, February 24, 2016
Conference Room 211, Hawaii State Capitol

POSITION: The Hawaii Family Caregiver Coalition **strongly supports** SB 2961 SD1 which proposes a family leave program with partial wage replacement for up to 12 weeks for an employee caring for an ill or disabled person of any age. The program will be totally funded by contributions from the wages of employees into a trust fund administered by the Department of Labor and Industrial Relations. The bill appropriates moneys to establish the trust fund and the program.

RATIONALE:

I am offering testimony on behalf of the Hawaii Family Caregiver Coalition (HFCC), which is a coalition of agencies and individuals committed to addressing the needs and improving the ability family caregivers to provide quality care for their frail and disabled loved ones.

- Family caregivers provide 70% of the care for frail elderly persons and thus bear the major burden and expense of care.
- The majority of family caregivers are also in the workforce and their employment is necessary to support the needs of their families as well as to assure that they will have sufficient social security and savings to support themselves in retirement.
- Although federal and state policies currently enable family caregivers to receive unpaid family leave, employed caregivers in Hawaii currently have no financial assistance when they must take leave to provide care for family members.
- The Trust fund proposed by SB 2961 would enable family caregivers to receive partial wage replacement when taking short periods of leave to deal with crises which occur in their families while making it possible to continue their employment and avoid the negative financial consequences of dropping out of the workforce.
- Paid family leave for caring for family members has been established in a growing number of states, with California having 10 years of its successful program. Paid leave is also found in most developed countries. We believe that providing a mechanism for this support for family caregiving is feasible and overdue in Hawaii.

I urge you to pass this much needed bill. Thank you for allowing me to offer testimony.

From: [Anthony Lenzer](#)
To: [JDLTestimony](#)
Subject: SB 2961 SD 1
Date: Monday, February 22, 2016 3:55:41 PM

TO: [Committee on Judiciary and Labor](#)

Sen. Gilbert S. C. Keith- Agaran, Chair, Sen. Maile S. L. Shimabukuro, Vice Chair

[Committee on Ways and Means](#)

Sen. Jill N. Tokuda, Chair, Sen. Donovan M. Dela Cruz, Vice Chair

FROM: Anthony Lenzer, PhD

SUBJECT: [Testimony in Strong Support of SB 2961 SD 1](#)

HEARING: Wednesday, February 24, 2016, 10:00 a.m.
Conference Room 211

Senators Keith-Agaran and Tokuda and Committee Members:

I am testifying in strong support of Senate Bill 2961 SD 1 on behalf of the policy advisory board for elder affairs, also known as PABEA. PABEA is an advisory board to the executive office on aging, and also advocates on behalf of Hawaii's older people. My testimony only reflects the views of PABEA and not necessarily those of the executive office on aging.

Senate Bill 2961 SD 1 creates a state-mandated system of paid family leave for all workers, both public and private. PABEA believes that paid family leave is an issue which impacts every part of our population, from young mothers caring for infants, to disabled persons, to family members helping frail parents or grandparents. This is a nationwide issue, but of special relevance in Hawaii, where the cost of living is so high. Given this situation, many in Hawaii are forced to work more than one job, and it is typical for both husband and wife to be employed. What happens when a family member becomes ill and requires care? The working family member faces a situation in which he or she must take unpaid leave in order to provide such care, and thereby suffer a serious loss of income. This is because neither federal law nor Hawaii statutes require paid family leave. The Federal and Medical Leave act of 1993 allows 12 weeks of unpaid leave for employees of businesses which employ 50 or more people. About 5% of Hawaii's employers have to comply with the federal law. Our own Hawaii Family Leave Law allows 4 weeks of unpaid leave to employees of businesses that have 100 or more workers. Only about 2% of Hawaii businesses have to comply with this law. The only type of paid leave in Hawaii is partial wage replacement through the TDI system. However, TDI only applies to limited situations in which the worker becomes ill or disabled, or after birth of a child.

Senate Bill 2961 would amend our family leave law to include a wage replacement program for caregivers. Wage replacement would be capped at 66% of wages. Employees would pay for this program, and it would not require contributions from the state or from employers. The law would cover all employees; self-employed persons can opt in. It would allow workers to designate a wide range of persons for whom care might be needed when leaves are taken. Leave provisions include a number of situations in which military personnel and their families are involved. The bill also includes a complaint/grievance procedure for applicants who have been denied family leave benefits.

There are many reasons why paid family leave is necessary, including the following: Hawaii has over 150,000 workers who also served as primary caregivers for an adult family member; by 2020, about 40% of the workforce will be providing care for older parents; and about 40% of Hawaii's workers do not have access to a single day of leave from work. Paid leave also gives new mothers an opportunity to bond with their infants, which is so important for child growth and development. In addition, paid leave will help families obtain economic security, which in turn results in a more stable and productive workforce.

Finally, a critical question: what is the impact of paid family leave on employers? Employer organizations have expressed concerns that firms would need to hire more temporary workers, and that employers would lose productivity or profits. Evidence regarding these questions comes from a study of the first 10 years of the nation's oldest PFL law, enacted in California in 2004:

" Appelbaum and Milkman (2011, 2013) surveyed approximately 250 California firms in 2010 about their experiences with the *PFL* law. They also conducted more in-depth interviews at 20 firms. Roughly 90 percent of firms in their survey said the law had either a positive effect or no effect on productivity, profit, morale, and costs. A similar proportion (nearly 90 percent) said they had not experienced any problems with employees taking leave for reasons not intended under the law. And, perhaps surprisingly, small firms reported even fewer problems than large firms.

Appelbaum and Milkman (2011, 2013), in both their survey and their in-depth interviews, asked employers how they managed while a worker was out on leave. This is not a new issue since some workers would have been on leave even without *PFL* (e.g. using TDI). However, with leave-taking being more common under *PFL*, the challenge might arise more often or last longer. They found that, most commonly, employers assigned work temporarily to other employees (this was the case in about two-thirds of firms); less frequently, employers hired temporary replacements (this was the case in less than one-third of firms)." (1)

Thus paid leave is a win-win for employees, businesses both large and small, and ultimately the economy of our state. Thank you for the opportunity to testify on this important legislation.

(1) Bartel, A., Baum, C., Rossin-Slater, M., Ruhm, C., and Waldfogel, J. California's Paid Family Leave Law: Lesson from the First Decade. June 23, 2014.



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FamilyProgramsHawaii.com

TO: *Committee on Judiciary and Labor*
Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

HEARING: Wednesday, February 24, 2016 - 10:00 AM - Conference Room 211

FROM: Judith Wilhoite
Family Advocate
It Takes An Ohana

RE: SB 2961 – Relating to Family Leave

Thank you for the opportunity to testify. I am the Family Advocate for Family Program Hawaii's *It Takes An Ohana* (ITAO) program and a resource caregiver. We strongly support SB 2961.

Linda Houser, an affiliate fellow of the Center for Women and Work and assistant professor at Widener University, authored a Rutgers study commissioned by the National Partnership for Women and Families. That study found that "While we have known for a long time about the maternal and infant health benefits of leave policies, we can now link paid family leave to greater labor force attachment and increased wages for women, as well as to reduced spending by businesses in the form of employee replacement costs, and by governments in the form of public assistance". This same study found, in the year after giving birth, women who take paid leave have been *about 40 percent less likely to receive public aid or food stamps*. That is a huge benefit to everyone!

It is important, as a resource caregiver, to point out that this bill holds the promise to reduce child abuse and the number of children who entry into foster care by allowing mothers who otherwise would not be able to stay home with their new babies to do so. This time gives the mothers and babies a better chance of creating a stronger bond. When this bonding occurs, science shows a decrease in harsh, ineffective discipline and parent control tactics, leading to less child abuse.

Please review the table on the next page that shows how the USA compares to the rest of the world when it comes to supporting Ohana. Our hope is that Hawaii will be among the states that lead the country to truly support families.

President Obama said "It's time we stop treating child care as a side issue or a women's issue, and treat it like the national economic priority that it is," We agree wholeheartedly and are thankful for this opportunity to express strong support for SB2961.

We help kids

TABLE 1

The United States—the paid leave outlier

International comparisons of parental leave—weeks of full-time equivalent paid and unpaid leave

	Parental leave		
	Weeks of paid leave, in full-time equivalents	Weeks of unpaid leave	Total weeks of leave (paid and unpaid)
France	22	296	318
Spain	18	294	312
Germany	47	123	170
Sweden	47	116	163
Norway	44	106	150
Austria	16	100	116
United Kingdom	13	67	80
Ireland	21	49	70
Italy	25	44	69
Australia	9	52	61
Greece	34	26	60
Japan	26	32	58
New Zealand	14	40	54
Canada	28	25	53
Denmark	20	32	52
Finland	32	16	48
Belgium	18	25	43
Netherlands	16	26	42
Portugal	18	13	31
United States	0	24	24
Switzerland	11	3	14

Sources: Rebecca Ray, Janet C. Gornick, and John Schmitt, "Parental Leave Policies in 21 Countries: Assessing Generosity and Gender Equality" (Washington, D.C.: Center for Economic and Policy Research, 2008); Commonwealth of Australia, "Australia's Paid Parental Leave Scheme: Supporting Working Australian Families" (2009).

We help kids

From: mailinglist@capitol.hawaii.gov
To: [JDLTestimony](#)
Cc:
Subject: Submitted testimony for SB2961 on Feb 24, 2016 10:00AM
Date: Monday, February 22, 2016 11:20:45 PM

SB2961

Submitted on: 2/22/2016

Testimony for JDL/WAM on Feb 24, 2016 10:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S Freed	Hawaii Women's Coalition	Support	No

Comments: Aloha Aloha Chair Tokuda, Chair Keith-Agaran, Vice Chairs and members, The Coalition remains in strong support paid family leave for the workers of Hawaii. Actuarial tables formulated by the Institute for Women's Policy Research for the State of Hawaii, show that the cost to the individual worker would be 43 cents a week. I am sure that if workers were asked if they would give up this small amount of money to fund paid leave, the answer would be a resounding yes. Please pass this bill. Mahalo, Ann S. Freed, Hawaii Women's Coalition

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 24, 2016

To: Senator Gilbert Keith Agaran, Chair
Senator Maile Shimabukuro, Vice Chair and
Members of the Committee on Judiciary and Labor

To: Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair and
Members of the Committee on Ways and Means

From: Jeanne Y. Ohta, Co-Chair

RE: SB 2961 Relating to Family Leave
Hearing: Wednesday, February 24, 2016, 10:00 a.m., Room 211

POSITION: Strong Support

The Hawai'i State Democratic Women's Caucus writes in strong support of SB 2961 Relating to Family Leave which would establish a family leave insurance program from employee contributions into a trust fund.

The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls it is because of this mission that the Caucus strongly supports this measure.

Paid leave makes fiscal sense for small and large businesses because employers are not responsible to pay for the leave time. Paid leave is funded by employees.

We have an economy where many mothers are in the workforce. Nearly 66% of all children in the U.S. have two parents who work or are supported by a single parent. In addition to childcare, by 2020, about 40 percent of the workforce will be providing care for older parents.

It is alarming that nearly 25% of adults in the U.S. have lost or job or been threatened by job loss for leave due to illness and 11% of U.S. workers have access to paid family leave through their employers.

Women, as primary caregivers of infants, children and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave. Women are the primary or co-breadwinners for almost two-thirds of families in the U.S., so women's income lost during maternity leave has significant economic impact on her entire family. Many grandmothers are also caring for grandchildren.

Women in Hawai'i can apply for TDI after giving birth, but it is time-limited. Fathers are not eligible to apply. In Hawai'i the majority of families are "working families" who cannot afford to take unpaid leave. Access to paid family leave alleviates economic instability for struggling families by ensuring job security.

We need legislation because in Hawai'i, only 88 businesses employ 100 or more employees within the state. Thus, only employees from these 88 business are eligible for 4 weeks unpaid leave guaranteed by state law.

The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls. It is because of this mission, the Women's Caucus supports this important measure.

We ask the committee to pass this measure and thank the committee for the opportunity to provide testimony.



February 24, 2016
10:00 AM
Conference Room 211

healthy
mothers
healthy
babies

COALITION
OF HAWAII

To: Senate Committee Members on Judiciary and Labor and
Senate Committee Members on Ways and Means

From: Lisa Kimura, Executive Director, Healthy Mothers Healthy Babies Coalition of Hawaii

Re: Testimony in Support of SB 2961 SD1: Paid Family Leave / Family Leave; Insurance; Private;

Dear Chairs and Members of the Judiciary & Labor Committee and the Committee on Ways and Means,

Thank you for this opportunity to provide testimony in support of SB 2961 SD1, to allow families the opportunity to receive paid leave for family caregiving responsibilities. Hawaii families frequently find themselves choosing between a paycheck and their family needs during critical periods of life – something no one should be forced to do.

We are working to provide universal eligibility, job protection, and partial wage replacement through a **100% employee funded payroll contribution**. In the event an employee has to **care for a newborn, adopted child, or family member (including spouses and parents)** with a serious illness, this means not having to choose between a paycheck and family. The United States is the ONLY industrialized nation not to mandate paid family leave for the care of a newborn child.

Paid Family Leave (PFL) has significant positive effects on maternal and child health, including:

- **Infant and Child Mortality:** International studies suggest that newborn leave is associated with lower infant and child mortality rates.
- **Breastfeeding:** Women are less likely to breastfeed exclusively, and they breastfeed their infants for a shorter period of time the sooner they return to work after giving birth.
- **Child Development:** Early maternal employment (e.g., within the first year of the child's life) is associated with detriments in children's development. Negative effects are worse if mothers return to work early and full-time.
- **Paternal Involvement:** Fathers who take time off for leave spend more time with and are more involved with their children, both around the time of birth and in later months.
- **Maternal Depression and Anxiety:** Generally, shorter leaves are associated with more symptoms of maternal depression or anxiety, and longer leaves are associated with better mental health, with these effects seen as early as 6 weeks postpartum.

Paid leave is pro-business, pro-family, and a win-win for employees, small and large businesses, and ultimately, Hawaii's economy.

Paid Family Leave is cost-effective for employers:

- Paid leave makes fiscal sense for small and large businesses because business owners do not contribute to an employee's replacement income.
- Paid leave is a form of work-life support solely funded by employees.
- Paid leave **reduces absenteeism**.
- Paid leave will **increase business revenue and retain the best possible workforce**.
- Paid leave **reduces turnover costs**. A 2011 study of California's family leave program found that it would save employers \$89 million a year by improving employee retention and reducing costs of hiring and training new employees.
- **The Small Business Majority supports family medical leave** and also supports proposals paid for by payroll contributions. (See smallbusinessmajority.org/small-business-research/family-medical-leave/092713-FML-report.php)

Paid Family Leave is cost-effective for the State:

- Paid leave is **revenue neutral**. As a self-sufficient, employee-funded program, PFL will not add to the state budget.
- Paid leave **helps keep families off public assistance and saves the state money devoted to elder care** by promoting immediate and long term health outcomes for mothers, children, and aging relatives.

310 Paoakalani Ave., Suite 202A, Honolulu, Hawaii 96815
(808) 737-5805 lisak@hmhb-hawaii.org www.hmhb-hawaii.org

Why is Paid Family Leave necessary?

- The number of children with parents or their only parent working (nearly 66% of all children in the U.S.) has increased by 13% since the drafting of FMLA.
- Seven percent of people who filed for bankruptcy in 2010 cited costs associated with the birth of a child as the cause.
- By 2020, about 40% of the workforce will be providing care for older parents.
- Nearly 25% of adults in the U.S. have lost or job or been threatened by job loss for leave due to illness.
- Only 11% of U.S. workers have access to paid family leave through their employers.
- Women, as primary caregivers of infants, children and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave.
- Women are the primary or co-breadwinners for almost two-thirds of families in the U.S., so women's income lost during maternity leave has significant economic impact on her entire family.
- Women in Hawaii can apply for TDI after giving birth, but it is time-limited. Fathers are not eligible to apply.
- Hawaii has one of the highest rates of grandparents as primary caregivers for grandchildren.
- In Hawaii the majority of families are "working families" who cannot afford to take unpaid leave--- paid family leave alleviates economic instability for struggling families by ensuring job security.

Healthy Mothers Healthy Babies Coalition of Hawaii and the Paid Family Leave Coalition has collected personal stories from families in the state of Hawaii on the importance of paid family leave:

"It is foolish to believe that in 6 weeks you and your child are used to the 'new' way of life, new schedule, new everything. Life changes whether it is your first child [or] an addition to your family. Having a newborn is worrisome, and for your health and that of your baby, you shouldn't be worried about going back to work, pumping, stressing with boss/coworkers, but at home focusing all your much needed energy on baby. It doesn't take 6-8 weeks to completely recover from giving birth and it is hard to get any good amount of sleep even after 6 weeks, especially [for] breastfeeding moms. For the health of our children, moms should be able to stay home much longer. In Canada, they get up to a year. In France, they go on leave from 10 weeks prior to due date, and stay home 12 weeks after due date, ALL COMPENSATED IN FULL (not just 2/3 disability!!!). In order for our children to be healthy, and in order for them not to become a burden to society (permanent disability, obese, diabetic, asthmatic...), it is so crucial to be able to properly bond with your child!!"

– *Terevarevahaunui Jacobson, Maui*

"How about when you, yourself, a single mother and a school teacher for the state, end up with cancer and the doctor signs you out of work for six months for your chemotherapy treatment and you MAY get UP TO a whopping 15 days of Temporary Disability?? AND, you have to pay your own health insurance, over \$600/month, out of pocket. Everything else, you have to cover yourself. They told me to go apply for welfare. Really? I wonder how they treat their teachers in other countries?"

– *Lori Sturm, Kihei*

"Some women are single mothers [and] some families barely get by with both paychecks. We need this. A few weeks or days are not enough"

– *Corey Utu Peters, Kalihi*

"Worker to working mother... I'm still adjusting. Employers allow [breast] pumping at work and must provide a safe place, but it's different from actually breastfeeding. I love my son and being a mother, but I also love to work. ...6 weeks was not enough. I had complications during my second trimester and was out of work during my pregnancy with little support from disability. The adjustment was difficult because within a month my child's eating and sleeping pattern changed. How is that fair for both employee and employer? Sleepless nights are not good for the baby or mother, putting both of them in danger."

– *Hanna Mae Bueno, Ewa Beach*

"If we, as a nation, want to strive to be the best in the world, we need to nurture every generation, starting at home, from the beginning. We are already too far behind most other first world countries when it comes to support of paid family leave. IT'S TIME TO DO BETTER."

– *Megan Mario, Honolulu*

"I had to go on 6 weeks unpaid leave, which was not enough time to recoup and bond, but by that time I had no choice but to go back to work as I needed the income. I felt helpless and angry that I couldn't have more time to nurture my family. This is a measure that I think is incredibly important to support. It not only makes sense to support healthy and happy family life, but supporting happy and

productive employees makes business sense. When I went back to work I was exhausted, hormonal, distracted, and not as productive as I was before. I was fortunate to have a private office where I could pump, but many women are not so lucky. I was also fortunate enough to be able to work from home part time (a deal I had to strike when I was hired due to the low pay), but many women are not so lucky. Parents are the most loyal beings on earth. Think of the commitment level of a happy parent that feels supported in raising a family.”

– *Gwen Woltz, Kaaawa*

“Let's see... Increased breastfeeding numbers; Better bonding = less social issues; Better parenting through support for parents; Less financial burden/less stress on new parents = more productive workers. We had a terrible experience with our elder child and so I chose to stay home this time until my son was old enough to communicate what was happening during his day. Finding reliable child care for my son, now that I am working, that doesn't cost my whole paycheck is hard. Trusting someone to take care of your babies for you is even harder. Support our families, let parents be parents!”

– *Christina Sorte, Hilo*

“These family support policies help to keep our population more balanced, countering our aging society. Without kiddos, we will not have a future labor force, so this is also in business's interest.”

– *Gayle Flynn, Honolulu*

“Paid family leave is a great idea!!”

– *Jenni Lesmann, Honolulu*

“Even though I am a state employee, I was denied temporary disability insurance when I had my second child. I had a repeat c-section, which would have warranted 8 weeks of partially paid leave. I also had postpartum depression, which is considered a disability. I had to exhaust my vacation leave and then take unpaid leave so I could care for my newborn.”

– *Catherine Betts, Honolulu*

“Having time off to bond with my newborn and help my wife would have been so helpful. We need to support families by providing paid leave.”

– *Vincent Kimura, Honolulu*

“Paid Family Leave would be awesome... Especially if they increase it to a year like other countries!”

– *Heather Sales, Waipahu*

“This is one of the reasons I separated from the Navy. Gosh, I can't even type how much this [Paid Family Leave] means, hopefully they extend maternity leave days too. Six weeks is not even close to enough time for a mother and her newborn!”

– *Lynn Mandie, Honolulu*

“I totally support [this bill]! As a Canadian citizen, I think it's crazy not being able to stay home with the little ones. Those are some of the most important times in a child's life. In Canada, we get one year off.”

– *Anne-Marie Lerch, Honolulu*

“I do not want to live in fear of going broke because a family member or I become sick. Having paid sick days and paid family leave is important because it tells me that I am important to my company. My physical and emotional health is important, and keeping myself healthy allows me to work. Without paid leave, my family had to go through the system to receive TANF. Having paid leave would put less stress on me and my family. I would have more confidence in my company and my own work because of how they were treating me. It would tell me that I am important to my company because they value my health and the health of my family.”

– *Anonymous*



Hawaii
Children's Action Network
Building a unified voice for Hawaii's children

February 24, 2016

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96813

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To: Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Senate Committee on Ways and Means

From: Deborah Zysman, Executive Director
Hawaii Children's Action Network

Re: **SB2961, SD1 – Relating to Family Leave - Support**
Hawaii State Capitol, Conference Room 211 – February 24, 2016 – 10 AM

On behalf of Hawaii Children's Action Network (HCAN), formerly Good Beginnings Alliance, we are writing in support of SB2961, SD1 – Relating to Family Leave.

HCAN is committed to improving lives and being a strong voice advocating for Hawai'i's children. Last fall, HCAN convened input in person and online from more than 50 organizations and individuals that came forward to support or express interest for a number of issues affecting children and families in our state that resulted in the compilation of 2016 Hawai'i Children's Policy Agenda, which can be accessed at <http://www.hawaii-can.org/2016policyagenda>.

HCAN supports SB 2961, SD1, which would establish a Paid Family Leave Insurance Program that requires employees to make contributions into a trust fund to be used to provide employees with family leave insurance benefits to care for a designated person. This bill also creates and appropriation to the Department of Labor and Industrial Relations (DLIR) to implement this program.

Currently, Hawaii employees do not have a right to paid medical or family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with job protection up to 12 weeks for employers with 50 or more employees. The state Family Leave Act applies to employers with 100 or more employees and allows for job protection up to four weeks. This is also unpaid leave.

According to the U.S. Department of Labor, Bureau of Labor Statistics, about 13 percent U.S. workers had access to paid family leave through their employers in 2014. Women are often disproportionately affected, as they are the primary caregivers of infants, children and aging parents. The lack of paid family leave exacerbates the gender wage gap for women but affect the economic stability for both women and men who are caregivers.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately, one in three workers report they need leave to care give for an ill spouse or parent but cannot take the time off.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family's income. This bill will enable workers to take a small number of weeks out of the workforce and not have to face the impossible choice between their family member's health and their income or jobs.

The purpose of this bill is to ensure access to partial wage replacement for employees needing to provide care for family members. It establishes an employee-funded insurance program to provide partial wage replacement. It does not add another benefit cost to employers, rather, it helps provide an employee (self)-funded benefit which helps employers retain valuable employees.

Other states including California, New Jersey, Rhode Island and Washington and dozens of cities and counties have implemented paid family leave programs and momentum is building to establish similar programs in other states and jurisdictions.

Hawaii's working families need a paid family leave standard, especially with our growing aging population. Families should not have to risk their family's economic security to meet their care giving obligations.

For these reasons, HCAN respectfully requests that the committee vote to pass this bill.



February 23, 2016

To: Hawaii State Senate Committee on Judiciary and Labor, and the
Committee on Ways and Means
Hearing Date/Time: Wednesday, February 24, 2016 (10:00 a.m.)
Place: Hawaii State Capitol, Rm. 211
Re: Testimony of American Association of University Women –
Hawaii in **support of S.B. 2961**, relating to family leave

Dear Senator Gilbert S.C. Keith-Agaran (Chair), Senator Maile S.L. Shimabukuro (Vice Chair), Senator Jill N. Tokuda (Chair), Senator Donovan M. Dela Cruz, and Members of the Committees,

I am grateful for this opportunity to testify in **strong support of S.B. 2961** supporting family leave for family members needing to spend time in family caretaking.

My testimony is on behalf of the approximately 400 members of the American Association of University Women (AAUW) in Hawaii, who list equal pay (in which family leave plays a strong role) as an important current concern.

AAUW has long advocated for equal pay (e.g., <http://www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap/>), and members of AAUW in Hawaii are aware of the performance of our state in equal pay. (Native Hawaiian women and Pacific Islands' women are particularly negatively affected in this matter.) Women (because typically women are the family caregivers of infants or the elderly) have their wages negatively impacted by “personal” decisions to look after family members, and it is time for state legislators to implement bills to help these women and their families.

In my examination of testimony already submitted about this bill, I note that social welfare groups point to academic research showing the positive impacts for families, and ultimately businesses (because businesses benefit from a robust economy with healthy, financially-stable families). In contrast business leaders' testimony on this act often promote scare-mongering about the possible effects on businesses, without providing real data demonstrating that these purportedly negative outcomes have occurred in other jurisdictions with similar family leave policies.

Please, legislators, look to the states and nations beyond Hawaii with similar family leave policies, and note the better health and financial wellbeing of families and businesses. Health, social science, and economic data demonstrate that family leave is an important benefit in a healthy society, and please pass SB 2961.

Thank you for the opportunity to testify.

Sincerely

Susan J. Wurtzburg, Ph.D.
Policy Chair

From: [Ana Diaz](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 2:20:04 PM

From: <Ana Diaz>

Message:

To:

Senator Gilber S.C. Keith-Agaran, Chair

Senator Maile S.L. Shimabukuro, Vice Chair

Members of the Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

Members of the Senate Committee on Ways and Means

Re: Testimony in Strong Support of SB 2961, Relating to Family Leave

February 24, 2016

Currently, employees in Hawaii do not have any right to paid medical or family leave. While the federal Family Medical Leave Act (FMLA, which leaves out 40 percent of the workforce) allows for unpaid leave with job protection up to 12 weeks for employers with 50 or more employees, our own Hawaii Family Leave Law only applies to those with 100 or more employees and allows for 4 weeks of unpaid leave. Only 2% of employers in the State must comply with our Hawaii Family Leave Law, thereby applying to only 16% of the workforce.

For employees at firms of less than 100 employees, the decision of whether one receives unpaid maternity leave, paternity leave, or leave to take care of an aging and ill parent or spouse is completely dependent on one's employer. Most people working in Hawaii cannot take unpaid leave and still maintain financial stability. It is clear that our current law needs to be revised and updated to provide true benefit to workers. Our labor laws should reflect our changing workplace demographics.

SB 2961 would apply to all employees in the state. All employees would pay in to a fund through a small payroll deduction; employers would not. Individual contractors would have the ability to opt in to the program, and could likewise, opt out. When an employee needs to provide care to a family member, spouse or child, the employee would provide medical certification and would then be allowed to "take out" of the partial wage replacement fund that they originally paid into. All contributions to the fund would be 100% employee funded, so businesses in Hawaii would not incur a fiscal note. Employers would not be paying employees during their leave. By allowing for universal eligibility, the program becomes self sustaining, thereby not relying on any state funds to continue operating. This is win-win for businesses and employees.

Hawaii has the opportunity to join the rest of the world with this legislation, by passing paid family leave and ensuring a commitment to `ohana. Thank you for this opportunity to provide strong testimony in support.

Ana Diaz

Paia

Hawaii

From: [Gabrielle Buist](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 1:33:13 PM

From: <Gabrielle Buist>

Message:

To:

Senator Gilber S.C. Keith-Agaran, Chair

Senator Maile S.L. Shimabukuro, Vice Chair

Members of the Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

Members of the Senate Committee on Ways and Means

Re: Testimony in Strong Support of SB 2961, Relating to Family Leave

February 24, 2016

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Gabrielle Buist

Honolulu

Hawaii

From: mailinglist@capitol.hawaii.gov
To: [JDLTestimony](#)
Cc:
Subject: Submitted testimony for SB2961 on Feb 24, 2016 10:00AM
Date: Tuesday, February 23, 2016 2:49:56 PM
Attachments: [Testimony for Leg Paid Leave.docx](#)

SB2961

Submitted on: 2/23/2016

Testimony for JDL/WAM on Feb 24, 2016 10:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Gaynel L Buxton	Individual	Support	No

Comments: As a newly minted 'grandmother' i have watched in horror at the stress induced in both my son and my daughter in law juggling careers and family life In Hawaii many young families are miles distant from family support needed to assist with childcare and other issues in the early months of a baby's birth Give this bill your upmost thought and consideration Do what is FAIR & GOOD

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Only 13 percent of people in the U.S. have access to paid family leave, according to * [parental leave advocacy group MomsRising](#). 33 percent of new moms take no formal time off at all, according to the National Center for Health Statistics.

The U.S. and Hawai'i in particular lag in paid parental leave. This lag persists, despite an overwhelming amount of research establishing the health benefits- physical, social and emotional/psychological- of parental leave for both the babies and their parents.

Everyone is waiting for someone else- a mandate or to follow an edict. Let's lead here in Hawaii ! It's dangerous to NOT consider paid parental leave as a humane worker's right for the future health and well being of our communities.

The ability to bond and nurse has positive effects. Good maternal/paternal leave policies aren't just a perk — they allow both mothers and fathers enough time with the child, to bond as a unit, making breast-feeding much easier, encouraging healthy brain development. *[International Labour Organization](#), an international nonprofit that promotes workers' rights internationally.

Here in Hawaii the high cost of living necessitates PAID leave , not just time off from work after the birth of a child.

In terms of the business side of it, just being able to retain your employees and give them that benefit promotes better job satisfaction and aids in worker retention- * [A Better Balance](#), a New York-based nonprofit working toward equality for working families.

Dads deserve paid time off, too Some countries even include paternity leave, allowing dads paid time off to spend with their children.

The U.S. and Hawaii have the infrastructure in place to fund paid family maternity/paternity leave. It would be akin to how workers pay into Social Security.

In a cost/benefit analysis, I believe a paid leave following a child's birth is the right thing to do.

Gaynel L Buxton

From: [Leialoha S.](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 12:47:16 PM

From: <Leialoha S.>

Message:

Hawai'i is a special place to raise our keiki. Please have paid Family Leave as a priority.
Mahalo.

To:
Senator Gilber S.C. Keith-Agaran, Chair

Senator Maile S.L. Shimabukuro, Vice Chair

Members of the Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

Members of the Senate Committee on Ways and Means

Re: Testimony in Strong Support of SB 2961, Relating to Family Leave

February 24, 2016

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SB 2961 would apply to all employees in the state. All employees would pay in to a fund through a small payroll deduction; employers would not. Individual contractors would have the ability to opt in to the program, and could likewise, opt out. When an employee needs to provide care to a family member, spouse or child, the employee would provide medical certification and would then be allowed to "take out" of the partial wage replacement fund that they originally paid into. All contributions to the fund would be 100% employee funded, so businesses in Hawaii would not incur a fiscal note. Employers would not be paying

employees during their leave. By allowing for universal eligibility, the program becomes self sustaining, thereby not relying on any state funds to continue operating. This is win-win for businesses and employees.

Hawaii has the opportunity to join the rest of the world with this legislation, by passing paid family leave and ensuring a commitment to `ohana. Thank you for this opportunity to provide strong testimony in support.

Leialoha S.

Wailuku

Hawaii

From: [Miki Uyeda](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 2:36:02 PM

From: <Miki Uyeda>

Message:

I personally was affected by this. I would like to see at least 3 months paid leave for those who have had children. This is to allow for parents more bonding time with children. Also I feel there will be better job production since the workers who get paid leave will get added job security.

To:
Senator Gilber S.C. Keith-Agaran, Chair

Senator Maile S.L. Shimabukuro, Vice Chair

Members of the Senate Committee on Judiciary and Labor

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

Members of the Senate Committee on Ways and Means

Re: Testimony in Strong Support of SB 2961, Relating to Family Leave

February 24, 2016

Currently, employees in Hawaii do not have any right to paid medical or family leave. While the federal Family Medical Leave Act (FMLA, which leaves out 40 percent of the workforce) allows for unpaid leave with job protection up to 12 weeks for employers with 50 or more employees, our own Hawaii Family Leave Law only applies to those with 100 or more employees and allows for 4 weeks of unpaid leave. Only 2% of employers in the State must comply with our Hawaii Family Leave Law, thereby applying to only 16% of the workforce.

For employees at firms of less than 100 employees, the decision of whether one receives unpaid maternity leave, paternity leave, or leave to take care of an aging and ill parent or spouse is completely dependent on one's employer. Most people working in Hawaii cannot take unpaid leave and still maintain financial stability. It is clear that our current law needs to be revised and updated to provide true benefit to workers. Our labor laws should reflect our changing workplace demographics.

SB 2961 would apply to all employees in the state. All employees would pay in to a fund through a small payroll deduction; employers would not. Individual contractors would have the ability to opt in to the program, and could likewise, opt out. When an employee needs to provide care to a family member, spouse or child, the employee would provide medical certification and would then be allowed to "take out" of the partial wage replacement fund

that they originally paid into. All contributions to the fund would be 100% employee funded, so businesses in Hawaii would not incur a fiscal note. Employers would not be paying employees during their leave. By allowing for universal eligibility, the program becomes self sustaining, thereby not relying on any state funds to continue operating. This is win-win for businesses and employees.

Hawaii has the opportunity to join the rest of the world with this legislation, by passing paid family leave and ensuring a commitment to `ohana. Thank you for this opportunity to provide strong testimony in support.

Miki Uyeda

Honolulu

Hawaii

From: [Naomi Rombaoa Tanaka](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 1:34:45 PM

From: <Naomi Rombaoa Tanaka>

Message:

Thank you for supporting this important bill!

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Naomi Rombaoa Tanaka

Honolulu

Hawaii

From: [Natalie Nimmer](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 1:23:49 PM

From: <Natalie Nimmer>

Message:

As a cancer survivor, I support this bill. During the nearly-year-long process of treatments, no one in my family could help me without taking time away from their jobs. I was lucky that family and friends were willing to help me even without access to paid family leave. Most families are not in our financial situation, though, and could not offer this type of support. While I was confined to my bed, there was no way I could get myself food, drink, or to the bathroom without assistance. I can't imagine the pain, humiliation, and undue hardship many other sick people are faced with because they cannot have the benefit of family caregivers. Please do the right thing by the members of our society who are fighting for their lives and the lives of their family members.

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Natalie Nimmer

Honolulu

Hawaii

From: [Raina Pasatiempo](#)
To: [JDLTestimony](#)
Subject: Establish Paid Family Leave in Hawaii
Date: Tuesday, February 23, 2016 2:14:44 PM

From: <Raina Pasatiempo>

Message:

I am a single parent of two young children, not by choice, but because of individuals that decided to avoid responsibility. And as a single mother, I manage to work full time, attend school part time and maintain my own apartment, but there were times that I needed to take leave because my parents fell ill and could not pick up my kids from school. To my employer's dismay, they unhappily gave me the unpaid time off to pick up my kids from school. I was willing to walk off the job and live on the streets than to keep my 6 year old and 3 year old waiting.

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Raina Pasatiempo

Kailua

Hawaii

TESTIMONY IN SUPPORT OF SB 2961 RELATING TO FAMILY LEAVE

COMMITTEE ON JUDICIARY AND LABOR COMMITTEE ON WAYS AND MEANS

Senator Gilbert S.C. Keith-Agaran, Chair, Judiciary and Labor
Senator Maile S. L. Shimabukuro, Vice Chair, Judiciary and Labor

Senator Jill N. Tokuda, Chair, Ways and Means
Senator Donovan M. Dela Cruz, Vice Chair, Ways and Means

**Wednesday, February 24, 2016 at 10am
Conference Room 211**

Aloha Chairs Keith-Agaran and Tokuda and Vice Chairs Shimabukuro and Dela Cruz, and Members of the Committees:

My name is Shay Chan Hodges and I have been a Maui resident for twenty-four years. I have one son who is a graduate of King Kekaulike High School, and is in his first year of college in Pennsylvania and another who is a senior at King Kekaulike. Both have been served by a variety of educational, childcare, and recreational programs in this community.

For the majority of my years as a working mother in Hawaii, I have written grants for nonprofits in the health and human services arenas. I also owned and operated **Maui Child Toys and Books** for six years in Makawao Town, and in November 2014, published *Lean On and Lead, Mothering and Work in the 21st Century Economy* about the economic impacts of the intersection of work and parenting.

In *Lean On and Lead*, I present a variety of first person narratives and interactive data that describe what parents and other caregivers need in order to significantly participate in the economy while raising children or caring for other family members. Individuals interviewed include working women, mothers, and fathers from around the world who represent a broad variety of occupations, as well as Hawaii residents, for example, *Lieutenant Governor Shan Tsutsui, then Congresswoman Colleen Hanabusa, US Senator Brian Schatz, State Senator Jill Tokuda, State Representative Beth Fukumoto, and Maui District 2010 Teacher of the Year Emily Haines-Swatek*, to name a few.

The stories told in the interviews make it very clear how important policies that support working parents are to our economy -- both in the short and long-term.

As you may recall, in July of 2015, U.S. Secretary of Labor Tom Perez came to Hawaii to convene a Roundtable on Paid Family Leave. (I know that many of you were in attendance.) Mr. Perez spoke about the high numbers of qualified women who drop out of the workforce because the "childcare math" doesn't pencil out, and how this loss of talent impacts the health of the U.S. economy and our nation's ability to compete on a global scale. Furthermore, when women must make the false choice to care for families rather than work outside the home, their wages are reduced in both the short and long-

terms, contributing to the gender wage gap. Conversely, when women are supported in the work force, and do not have to choose between economic livelihood and caregiving responsibilities, their earnings increase dramatically. **Currently, women in Hawaii who are employed full time lose a combined total of more than 1.4 billion dollars annually due to the prevailing wage gap, which exists regardless of industry, occupational choice, or educational attainment level.**

In fact, even though Hawaii's wage gap is one of the lowest in the nation, the difference on an annual basis is still enough to cover several months of child care, medical bills, or rent, depending on one's income.

And these losses are not just connected to the care of children -- nor do they only apply to women. Currently, 240,000 employees serve as primary caregivers to a family member, and by 2020, an estimated forty percent of the workforce will be providing care for older parents. Our economy depends on all of the people of Hawaii having the ability to contribute both labor and intellectual capital, even if they have to take breaks to care for loved ones.

As Sec. Perez has often stated: "It's time we stop treating child care as a side issue or a women's issue, and treat it like the national economic priority that it is." The same is true for the care of any family member who requires care.

In fact, throughout the nation, innovative employers are recognizing the financial value of providing this necessary benefit to their workers. 2015 saw tech companies like Amazon, Facebook, Yahoo, Microsoft, Netflix, Adobe, Zillow and Spotify institute groundbreaking paid leave policies for American employees. And at least twenty-five localities, including New York City and Boston, and jurisdictions in Minnesota, Oregon, and Pennsylvania, are instituting paid leave for municipal workers this year.

The proposed **SB 2961** would create a trust fund that employees contribute to, which would provide partial wage replacement for up to twelve weeks when needed. Because Hawaii's bill does not require businesses to contribute, nor does it rely on state funds to continue operating, it is a win-win for businesses and employees.

I was very gratified to see so many senators in attendance at the Roundtable with Secretary Perez this summer, all of whom asked crucial questions about implementation of paid leave policies in Hawaii. It is clear that now more than ever, Hawaii's legislators, many of whom are caregivers themselves, understand that a thriving economy is only as strong as the families that participate in it.

Given the fact that we work and live in one of the country's most expensive states for families with one of the lowest unemployment rates, I urge you to pass SB 2961 this session.

Mahalo,

Shay Chan Hodges
Haiku, Maui, Hawaii