

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

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March 22, 2017

TO: The Honorable Mark M. Nakashima, Chair,  
The Honorable Jarrett Keohokalole, Vice-Chair, and  
Members of the House Committee on Economic Development and Business

The Honorable Aaron Ling Johanson, Chair,  
The Honorable Daniel Holt, Vice-Chair, and  
Members of the House Committee on Labor & Public Employment

Date: Wednesday, March 22, 2017  
Time: 11:20 a.m.  
Place: Conference Room 309, State Capitol

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

**Re: HCR 89 Requesting the Department of Labor and Industrial Relations and the  
Department of Business, Economic Development, and Tourism to convene a  
basic economic security working group**

**I. OVERVIEW OF PROPOSED RESOLUTION**

HCR 89 requests DLIR and the Department of Business, Economic Development, and Tourism (DBEDT) to convene a basic economic security working group.

The Department supports the intent of this measure, but has concerns. The two entities in DLIR that would participate in this working group (Workforce Development Division and Workforce Development Council) face significant cuts in funding as the Trump Administration has indicated in its "skinny" budget that it is specifically targeting reductions in funding for workforce development. Therefore, DLIR would require additional resources to participate in the working group provided its passage appropriates funds and does not adversely affect priorities identified in the Governor's Executive Budget request.

**II. CURRENT LAW**

There is no current law pertaining specifically to the creation of a working group to address the economic security of Hawaii's workforce.

**III. COMMENTS ON THE HOUSE CONCURRENT RESOLUTION**

DLIR supports the intent of this measure as a way to bring groups together to assess and recommend policy changes to address the vulnerability of Hawaii's workforce to economic disruption. However, as noted above, DLIR is concerned about federal funding for workforce development.



# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE  
GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
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Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND BUSINESS**  
**AND**  
**LABOR AND PUBLIC EMPLOYMENT**

Thursday, March 22, 2017

11:20 A.M.

State Capitol, Room 309

in consideration of

**HCR89**

**REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND  
TOURISM TO CONVENE A BASIC ECONOMIC SECURITY WORKING GROUP.**

Chairs Nakashima and Johanson, Vice Chairs Keohokalole and Holt, and Members of the Committees.

The Department of Business, Economic Development & Tourism (DBEDT) appreciates the intent of this resolution for the Department of Labor and Industrial Relations (DLIR) and DBEDT to convene a basic economic security working group. However, in addition to our regular studies, we have several on-going and current in-session mandated studies including:

- Assessing the emerging industries;
- Self-sufficient income standards;
- Research activity tax credit study;
- Film tax credit study;
- Real property tax study; and
- If SB704 passes this session, establishing a working group to study the online vacation rentals.
- If HCR169 passes this session, establishing a working group to study tax reform.
- If HB735 passes this session, this would require a study relating to the motor vehicle rental industry.
- If HCR87 passes this session, this would require a study relating to ocean recreation and tourism.

We currently do not have sufficient resources to convene a working group at this time. Thank you for the opportunity to provide the above comments.



Randy Perreira  
President

# HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441  
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The Twenty-Ninth Legislature, State of Hawaii  
Hawaii State House of Representatives  
Committee on Economic Development and Business  
&  
Committee on Labor and Public Employment

Testimony by  
Hawaii State AFL-CIO  
March 22, 2017

## H.C.R 89

The Hawaii State AFL-CIO supports H.C.R. 89 which requests the Department of Labor and Industrial Relations and the Department of Business, Economic Development and Tourism to convene a basic economic security working group.

Hawaii's cost of living continues to rise yet wages remain stagnant or significantly below a living wage needed to survive in the state of Hawaii. Establishing the a basic economic security working group will help determine the path needed to ensure workers are provided a living wage and financial security in the state of Hawaii.

Thank you for the opportunity to testify.

Respectfully submitted,

Jason Bradshaw  
COPE Director



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**

AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Ninth Legislature, State of Hawaii  
House of Representatives  
Committee on Economic Development and Business  
Committee on Labor and Public Employment

Testimony by  
Hawaii Government Employees Association

March 22, 2017


H.C. R. 89 – REQUESTING THE DEPARTMENT  
OF LABOR AND INDUSTRIAL RELATIONS  
AND THE DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT, AND TOURISM  
TO CONVENE A BASIC ECONOMIC  
SECURITY WORKING GROUP

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of H.C.R. 89 which establishes the Hawaii Economic Security Working Group within the Department of Business, Economic Development and Tourism to make recommendations on Hawaii's economic health and stability. H.C.R. 89 takes the first necessary step toward considering the long term implications that globalization and increasing automation will have on local jobs and our economy.

Hawaii's high cost of living coupled with the exponential growth of innovative technologies have already begun to reshape our economy across all sectors and have contributed to financial challenges for many families earning less than a living wage. Now is an appropriate time to examine and ensure a viable financial path forward for workers whose industries may be evolving. We must ensure a future in which everyone will have access to financial prosperity.

Thank you for the opportunity to testify in support of H.C.R. 89.

Respectfully submitted,

  
for Randy Perreira  
Executive Director



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Economic Development & Business  
and the House Committee on Labor & Public Employment  
Wednesday, March 22, 2017 at 11:20 A.M.  
Conference Room 309, State Capitol**

**RE: HOUSE CONCURRENT RESOLUTION 89 REQUESTING THE  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS AND  
THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT  
AND TOURISM TO CONVENE A BASIC ECONOMIC SECURITY  
WORKING GROUP.**

Chairs Nakashima and Johanson, Vice Chairs Keohokalole and Holt, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HCR 89, which requests that the Department of Labor and Industrial Relations and the Department of Business, Economic Development and Tourism convene a basic economic security working group.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This resolution would create the means for DLIR and DBEDT and the members of this working group to provide the state with much-needed direction and a foundation of ideas that can help leaders in both the public and private sectors identify new opportunities for steady economic growth beyond a tourism base. We support the intent of this resolution because it provides a way to stay ahead of the constant change that is necessary to maintain a vibrant economy. We would ask that the Chamber be considered to sit on the working group.

Thank you for the opportunity to testify.

**keohokalole2 - Anthony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 20, 2017 3:29 PM  
**To:** edbtestimony  
**Cc:** KarinNomura1@gmail.com  
**Subject:** Submitted testimony for HCR89 on Mar 22, 2017 11:20AM

**HCR89**

Submitted on: 3/20/2017

Testimony for EDB/LAB on Mar 22, 2017 11:20AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Karin Nomura	Individual	Support	No

Comments: It seems some occupations in Hawaii have kept up with not only economy but also comparable to the contiguous united states, but many jobs haven't. Unfortunately the majority of low paying jobs are for those who need a job the most. With of course women for the most part, everywhere, receiving less than their male counterparts. So anything that may mitigate the adage of "cost of living in paradise" I say is well worth looking into.

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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*Eric W. Gill, Financial Secretary-Treasurer*

*Gemma G. Weinstein, President*

*Godfrey Maeshiro, Senior Vice-President*

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Tuesday, March 21, 2017

House Committee on Economic Development & Business & Committee on Labor  
Hawaii State Legislature  
State Capitol  
415 South Beretania Street

**LATE**

Re: HCR 89

Aloha Chairs Nakashima and Johanson,

UNITE HERE Local 5 – a local labor organization representing 11,000 hotel, health care and food service workers throughout Hawaii would like to register our support for HCR 89.

HCR 89 would convene a working group to look at the long term economic security of our State.

Our union is an organization whose mission, role and existence is founded on the solidarity and concerted activity of our members. Our most fundamental task is to build unity and common purpose, and to do so we must also have the courage to speak out on issues that affect all our working families.

It is a shame that Hawai'i's residents in poverty pay more in state taxes than all but three other states, yet our cost of living is the highest in the nation. Hawai'i can do better. One of the most profitable industries to have taken root in our islands continues to see record number of visitors and profit levels, yet we are losing hundreds and hundreds of good local jobs. Hawai'i can do better, and we can start by ensuring that we don't tax those families who are barely getting by as it stands.

We ask for your support in passing HCR 89.

Thank you.



# IBEW1260

‘A‘OHE HANA NUI KE ALU ‘IA



March 22, 2017

The Twenty-Ninth Legislature, State of Hawaii  
Hawaii State House of Representatives  
Committee on Economic Development and Business  
Committee on Labor and Public Employment

## HCR89

Chairs Nakashima and Johanson, Vice Chairs Keohokalole and Holt and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO (IBEW1260), represents more than 3500 members, working throughout the State of Hawaii and respectfully offers the following testimony in **STRONG SUPPORT** of House Concurrent Resolution 89 (HCR89).

For years, the idea of jobs being lost to technological advances was nothing more than science fiction found in novels, comic books and movies. However, today we are watching technology increase at an impressive rate, impacting the way we live, work and play. In the utility industry alone, where nearly 1500 IBEW1260 members are employed locally, hundreds of jobs are being impacted by advances in renewable energy technology. Plant's that require fifteen operators and as many maintenance workers are being replaced by commercial solar farms requiring minimal manpower for operations and maintenance. To be clear, we are not Twenty-First Century Luddites afraid of innovation. Rather, we embrace progress and seek any opportunity to change with our respective industries, for the benefit of our membership and community.

President John F. Kennedy, during the dawn of computers and robots entering the workplace, declared that the major domestic challenge of the 1960s was to "maintain full employment at a time when automation... is replacing men." It is in this spirit that IBEW1260, with the understanding that jobs will not only transform but be lost, ask the Committee to support HCR89 ensuring that as these changes come about, so too will we be armed with well-developed policy designed to ensure economic sustainability for the people of Hawaii.

Mahalo for the opportunity to testify on this issue.

Respectfully,

Michael M. Brittain  
Asst. Business Manager  
IBEW1260 / AFL-CIO

**keohokalole2 - Anthony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 22, 2017 6:53 AM  
**To:** edbtestimony  
**Cc:** mkhan@hawaiiantel.net  
**Subject:** Submitted testimony for HCR89 on Mar 22, 2017 11:20AM



**HCR89**

Submitted on: 3/22/2017

Testimony for EDB/LAB on Mar 22, 2017 11:20AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leimomi Khan	Individual	Support	No

Comments: Support, but recommend inclusion of a representative of the Dept of Defense and the Office of Hawaiian Affairs and/or the Council for Native Hawaiian Advancement on the working group. The former is a major employer in Hawaii and the latter two organizations can contribute to the assessment of Hawaii's job market, especially as concerns Native Hawaiian businesses, and the impact a universal basic income system might have on Hawaii's indigenous people.

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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