

HAWAI‘I CIVIL RIGHTS COMMISSION

830 PUNCHBOWL STREET, ROOM 411 HONOLULU, HI 96813 · PHONE: 586-8636 FAX: 586-8655 TDD: 568-8692

March 1, 2018
Rm. 325, 2 p.m.

To: The Honorable Scott Y. Nishimoto , Chair
Members of the House Committee on Judiciary

From: Linda Hamilton Krieger, Chair
and Commissioners of the Hawai‘i Civil Rights Commission

Re: H.B. No. 2137, H.D.1

The Hawai‘i Civil Rights Commission (HCRC) has enforcement jurisdiction over Hawai‘i’s laws prohibiting discrimination in employment, housing, public accommodations, and access to state and state funded services (on the basis of disability). The HCRC carries out the Hawai‘i constitutional mandate that no person shall be discriminated against in the exercise of their civil rights. Art. I, Sec. 5.

H.B. No. 2137, H.D.1, if enacted, will add a new section to H.R.S. chapter 378, part I, prohibiting employer inquiries about salary or wage history or reliance on such history in determining compensation for an applicant in the hiring process, and amend H.R.S. § 378-2.3, by adding a subsection (b) prohibiting an employer from retaliating against an employee for disclosing wages or discussing wages.

The HCRC supports the intent of H.B. No. 2137, H.D.1, strongly supporting the proposed prohibition against employer retaliation for disclosing or discussing pay information, but has serious concern about the efficacy of the proposed prohibition against employer inquiries about salary or wage history or reliance on such history in determining compensation for an applicant in the hiring process. Based on this concern, the HCRC suggests that H.B. No. 2137, H.D.1, be amended by deletion of Section 2 of the bill, while retaining the current Section 3 of the bill.

Enactment of the Section 3 prohibition against employer retaliation against employees for disclosing or discussing wages will mark a substantial step forward in the movement toward gender pay equality, that being one of the pillars of the Paycheck Fairness Act that has languished in Congress for the past two decades.

The HCRC did not raise this concern or suggest amendments when H.B. No. 2137, H.D.1, was heard before the House Committee on Labor. The concern arose and was articulated after the subject matter committee’s hearing on the bill, based on Commission review and discussion of the bill and relevant social and psychological research. At this stage of the legislative process, the HCRC urges the

House Committee on Judiciary to pass the bill out of committee, to allow for additional inquiry and discussion of its merits and the HCRC's concern and suggested amendments.

Strong HCRC Support for Section 3 of H.B. No. 2137, H.D.1

The HCRC strongly supports the addition of subsection (b) to H.R.S. 278-2.3 which prohibits employer retaliation for disclosing or discussing pay information. Employees must be permitted to discuss wage differences, in order to determine pay disparity. Transparency, with free and open discussion will promote pay equality between genders.

HCRC Concerns RE: Section 2 of H.B. No. 2137, H.D.1

Based on review of recent social and psychological research, the HCRC questions the efficacy of the proposed prohibition against employer inquiries into and consideration of salary or wage history in determining compensation in the hiring process, with an exception allowing employer consideration of salary history in determining salary, benefits, and other compensation, if an applicant voluntarily and without prompting discloses salary history.

The HCRC is concerned that this well-intentioned statutory prohibition and exception may actually have a negative impact on women applicants and even exacerbate, rather than narrow, the gender pay gap.

Numerous studies have shown that men are more likely to engage in negotiation over compensation in the hiring process, affecting starting pay. Under the proposed law, male applicants will be more likely to negotiate expectations for starting pay, voluntarily disclosing salary history that can then be considered in determining salary, benefits, and other compensation. The statutory exception negates the rule, to the advantage of male applicants.

Research also raises a troubling phenomenon, indicating that even when women negotiate starting compensation, it can have a negative impact on them. Assertive or aggressive negotiation that is seen as a positive masculine trait in men can be viewed as a negative for women, based on stereotyping of female behavior. See H.R. Bowles, *et al.*, "Social incentives for gender differences in the propensity to initiate negotiations: Sometimes it does hurt to ask," *Organizational Behavior and Human Decision Processes* 103 (2007) 84-103. (available online at <https://www.sciencedirect.com/>).

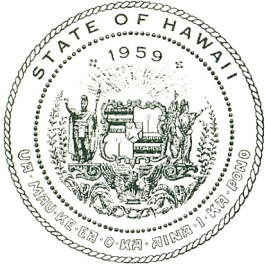
The unintended consequence of the Section 2 protection could be that a male applicant who voluntarily discloses his salary history may be viewed as assertive, with voluntary disclosure triggering negotiation. Women, research indicates, would be less likely to voluntarily disclose salary history (it being "protected") putting them at a disadvantage in negotiation, and even if they do voluntarily disclose salary history, it can be ignored or held against them.

HCRC's Suggested Amendment

Based on the concerns discussed above, the HCRC suggests amendment of H.B. No. 2137, H.D.1, deleting Section 2 of the bill in its entirety.

With these concerns and suggested amendment, the HCRC supports the intent of this bill as a step towards ending pay discrimination against women, particularly women of color, in lower wages than their male counterparts. Equal pay for equal work will inure to the benefit of women employees, families, and children.

HAWAI'I
STATE
COMMISSION
ON THE
STATUS
OF
WOMEN



Chair
LESLIE WILKINS

COMMISSIONERS:

SHERRY CAMPAGNA
CYD HOFFELD
JUDY KERN
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February 28, 2018

To: Chair Nishimoto
Vice San Buenaventura
Members of the House Judiciary Committee

From: Khara Jabola-Carolus, Executive Director
Hawai'i State Commission on the Status of Women

Re: Testimony in Support of HB2137

On behalf of the Hawai'i State Commission on the Status of Women, I would like to thank the committee for hearing this measure and for the opportunity to testify in support of HB2137, which would prohibit an employer from requesting or considering a job applicant's pay history, and prohibit enforced wage secrecy and retaliation against employees who disclose, discuss, or inquire about their own or coworkers' wages.

These provisions intend to correct Hawai'i's gender wage gap—the pay difference in men's and women's median earnings, which is destructive to women's economic security and the local economy. In Hawai'i, women make 84 cents to every dollar earned by men.¹ The wage gap is even more pronounced for women of marginalized identities. Native Hawaiian women make 70 cents for every dollar a man makes, and 79 cents for every dollar a Native Hawaiian man makes.² Similar disparities exist among earnings of immigrant women (naturalized or undocumented). If trends continue, Hawai'i will not achieve equal pay until 2100.³

Current Hawai'i law prohibits pay discrimination, but does not prohibit inquiries into pay history. Because the pay gap is present across the state, women often carry pay inequity into their next jobs. Therefore an ever-growing list of states have restricted or banned employer's from asking about an applicant's pay history.

The Commission strongly supports the intent of this measure but is concerned that the proposed structure of pay negotiations would unintentionally harm women. We believe a more effective negotiation structure would add a requirement that employers provide a "pay scale" or comparative information on salary for comparable workers for the position sought within the organization. We respectfully request that HB2137 be amended to include a "pay scale" disclosure requirement.

Thank you for this opportunity to provide written testimony in support of this important measure.

Sincerely,

Khara Jabola-Carolus

¹ National Partnership for Women and Families, *Fact Sheet: Hawaii Women and the Wage Gap*, Apr. 2017, <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2017-hi-wage-gap.pdf>

² U.S. Census Bureau (2017), S0201, Selected Population Profile 2016, 1-Year Estimates.

³ Institute for Women's Policy Research, *Status of Women in the States*, Mar. 2015. <https://statusofwomendata.org/press-releases/employment-earnings-release/>

HB-2137-HD-1

Submitted on: 2/27/2018 2:19:18 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Circe Carr	Individual	Support	No

Comments:

HB-2137-HD-1

Submitted on: 2/27/2018 2:23:20 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeannine	Individual	Support	No

Comments:

I am testifying in support of HB 2137 HD1 to implement equal pay protections for all. And, while women are closing the gap in attaining higher education, their pay as compared to men for similar work is still unequal. Out state needs to take a step forward and close this gap so that women, many of whom are heads of households and are at an economic disadvantage as compared to men in similar jobs.

There some evident contributing factors that perpetuating this inequality: 1) employers asking for work pay history of applicants, and basing the salary and compensation based on previous earnings; 2) employers prohibiting employees from discussing salaries and benefits with other employees. This bill would prohibit employers from these outdated practices to pay parity for all.

For these reasons, I humbly ask for your support of this bill. Mahalo for your consideration.

To: Hawaii State House of Representatives Committee on Judiciary
Hearing Date/Time: Thursday, Mar. 1, 2018, 2:00 p.m.
Place: Hawaii State Capitol, Rm. 325
Re: Testimony of Planned Parenthood Votes Northwest and Hawaii in strong support of H.B. 2137, HD1, relating to Equal Pay

Dear Chair Nishimoto and Members of the Committee,

Planned Parenthood Votes Northwest and Hawaii (“PPVNH”) writes in strong support of H.B. 2137, HD1, which seeks to increase fairness and lessen discrimination in the workplace.

PPVNH supports equal pay policies that bring women’s earnings in line with men’s earnings.

Women have higher rates of economic insecurity than men do, and their lower wages hurt not only themselves but also their families who rely on those earnings for all or part of their income. Women are also more likely to rely on public benefits like Medicaid, the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), and housing assistance. This economic insecurity is even more common for women of color.

Closing the wage gap requires laws like H.B. 2137 that address workplace discrimination. Employers pay women less from the moment of hire, and are more likely to deny them promotions because of the presumption that they will have children and thus commit less time and dedication to their jobs.

If women do get pregnant or take on caregiving responsibilities, they sometimes lose income because of overt discrimination based on these stereotypes. They also lose pay when they are deprived of opportunities to advance to higher paid jobs or are pushed out of work altogether because employers do not accommodate needs that may arise for women as a result of motherhood (like the need to pump breast milk at work or take time off to care for a sick child).

Remedying pay disparities improves the lives of women and their families, and helps relieve the economic burden of women’s health care and family planning. Please pass H.B. 2137 in support of Hawaii’s working women.

Thank you for this opportunity to testify in support of this important measure.

Sincerely,

Laurie Field
Hawaii Legislative Director

HB-2137-HD-1

Submitted on: 2/27/2018 6:13:56 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lea Minton	Individual	Support	No

Comments:



To: Scott Y. Nishimoto, Chair
Rep. Joy A. San Buenaventura, Vice Chair

From: Jozette Montalvo
Hawaii Petroleum, Inc-Human Resources Director
RE: HB2137 Relating to the Wage History Request

Date: February 27, 2018

Thank you for the opportunity to provide testimony. Hawaii Petroleum Company is an independent petroleum marketer operating on the islands of Maui and Hawaii, with approximately 325 employees on two islands. We operate sixteen Minit Stop convenience stores throughout the islands of Maui and Hawaii.

Hawaii Petroleum **opposes HB2137** for the following reasons.

While we understand the intent of this bill, there are already laws in place that prohibit pay discrimination based on gender. A person's prior salary is not the only criteria used to determine the wage they will be offered. There are many other factors used to determine salaries when making an offer such as the level of the position they are applying for, their relevant experience, the applicant's education/training, and overall qualifications they possess.

An individual's salary history speaks to the level of accomplishment they have attained. Prohibiting the discussion of salary disadvantages employers as well as applicants from a negotiating stand point and further complicates the hiring process. In addition, in this competitive labor market, how does an employer potentially attract someone from another organization if pay cannot be part of the discussion and this is of course what people work for and aspire to advance in.

For these very reasons, I kindly ask that you vote **NO** on **HB2137**.

Mahalo!

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February 22, 2018

To: Representative Scott Nishimoto, Chair
Representative Joy San Buenaventura, Vice Chair and
Members of the Committee on Judiciary

From: Jeanne Y. Ohta, Co-Chair

RE: HB 2137 HD1 Relating to Equal Pay
Hearing: Thursday, March 1, 2018, 2:00 p.m., Room 325

POSITION: Strong Support

The Hawai'i State Democratic Women's Caucus writes in strong support of HB 2137 HD1 Relating to Equal Pay which would prohibit employers from requesting or considering a job applicant's wage or salary history as part of an employment application process or compensation offer.

The measure would also prohibit retaliation against employees who disclose or discuss their wages. Employees cannot know that they have lower salaries if they are prohibited from discussing them. Indeed, that is one of the reasons that Lilly Ledbetter did not know for years that she was the victim of wage discrimination. (Lilly Ledbetter Fair Pay Act of 2009)

Lilly Ledbetter was one of the few female supervisors at the Goodyear plant in Gadsden, Alabama, and worked there for almost two decades. She faced sexual harassment at the plant and was told by her boss that he didn't think a woman should be working there. Her co-workers bragged about their overtime pay, but Goodyear did not allow its employees to discuss their pay, and Ms. Ledbetter did not know she was the subject of discrimination until she received an anonymous note revealing the salaries of three of the male managers. After she filed a complaint with the EEOC, her case went to trial, and the jury awarded her back-pay and approximately \$3.3 million in compensatory and punitive damages for the extreme nature of the pay discrimination to which she had been subjected.

The Court of Appeals for the Eleventh Circuit reversed the jury verdict, holding that her case was filed too late – even though Ms. Ledbetter continued to receive discriminatory pay – because the company's original decision on her pay had been made years earlier. In a 5-4 decision authored by Justice Alito, the Supreme Court upheld the Eleventh Circuit decision and ruled that employees cannot challenge ongoing pay discrimination if the employer's original discriminatory pay decision occurred more than 180 days earlier, even when the employee continues to receive paychecks that have been discriminatorily reduced.

It is because of this situation and many like it that we are asking that the legislature pass legislation that protects workers from discrimination.

Both provisions in this measure would assist in closing the gender wage gap. The use of salary histories in job applications continues to penalize women by perpetuating the wage gap by basing salaries for new jobs on their current lower salaries. Salary history bills have been passed in several states, including: California, Delaware, Massachusetts, New Jersey, and Oregon. Employee wage discussion bills have been passed in 18 states, including Colorado, Nevada, and Puerto Rico.

“Salary is not a neutral, objective factor. Salary history is also an imperfect proxy for an applicant’s value or interest in a position. For example, relying on salary history can lead to depressed wages for individuals who have previously worked in the public sector or in nonprofits and are moving into the private sector; it can deprive senior individuals with higher salaries who are looking to change jobs or re-enter the workforce the opportunity to be considered for lower paying jobs they might seek.”¹

Human resource managers have other methods to determine compensation; such as market-based approaches to wage setting — where employers compensate workers on the basis of the needs of and competition for the job, rather than the history of the person. Is not necessary for employers to ask for salary histories.

The gender pay gap is found across ethnic and racial groups, age groups, educational groups, and occupational groups; pay inequality is worse for women of color; and the gap gets worse as women age.

More needs to be done to eliminate the gender pay gap. This measure is just a start. We ask that the committee pass this measure.

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. Thank you for the opportunity to provide testimony.

¹ National Women’s Law Center, “Asking for Salary History Perpetuates Pay Discrimination from Job to Job,” June 9, 2017, <https://nwlc.org/resources/asking-for-salary-history-perpetuates-pay-discrimination-from-job-to-job/>

HB-2137-HD-1

Submitted on: 2/28/2018 6:08:32 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Alu Campagna	Individual	Support	No

Comments:

Equal Pay has been the law for 50years and yet women, particularly women of color, still don't receive equal pay for equal work. Workplace rules and culture continue to silence women who speak up for pay equity while our own chambers of commerce work against laborers in favor of business owners. This needs to stop for the good of our families and our eroding middle class. Please pass this bill.

To: Chair Nishimoto, Vice Chair Buenaventura and members of the House Committee on Judiciary

RE: Testimony in **SUPPORT** of HB 2137 HD1 Relating to Equal Pay

Hearing: Thursday, March 1, 2018, 2:00 p.m., Room 325

Thank you for the opportunity to testify in **SUPPORT** of HB 2137 regarding Equal Pay.

Despite the 1962 Equal Pay Act (EPA), we find we still need to legislate laws to reach the goal of “equal pay for equal work” as the Act intended. To remind ourselves this is what the EPA says:

“No employer having employees subject to any provisions of this section shall discriminate, within any establishment in which such employees are employed, between employees on the basis of sex by paying wages to employees in such establishment at a rate less than the rate at which he pays wages to employees of the opposite sex in such establishment for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions, except where such payment is made pursuant to (i) a seniority system; (ii) a merit system; (iii) a system which measures earnings by quantity or quality of production; or (iv) a differential based on any other factor other than sex: Provided, That an employer who is paying a wage rate differential in violation of this subsection shall not, in order to comply with the provisions of this subsection, reduce the wage rate of any employee.”

In fact, the wage gap has closed since the 1960’s, from about 55% to 80%.* This wage gap persists as employers perpetuate the practice of hiring women for less by tactics like the ones this bill addresses: pay check secrecy or basing offers on previous employment. (*<https://www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap/>)

Not only is it illegal, it is a misconception that men need to earn more because they need to raise a family. In fact, 42% of working women are the primary breadwinners of their families. Paying these women fair wages can only improve our economy and the well-being of our families.

Federal, state and county governments all practice pay check transparency where salaries are based on position/duties and known within published pay bands.

Certainly, there should be no retaliation for revealing one’s salary. Pay check secrecy is only necessary when there is something to hide.

Sincerely,

Amy Monk, Commissioner

Hawaii State Commission on the Status of Women

Hearing Date: March 1, 2018 – 2 PM

To: House Committee on Judiciary

From: Jean Evans, MPH (Individual, jevans9999@yahoo.com, 808-728-1152, 99-1669 Hoapono Pl., Aiea, HI 96701)

Re: TESTIMONY IN SUPPORT OF HB 2137, HD1 - RELATING TO EQUAL PAY

My name is Jean Evans. I retired after 40 years holding executive positions in Hawaii non-profit agencies. In these positions I have interviewed and hired hundreds of applicants. I am also a member of AAUW Hawaii.

I am strong support of HB 2137, HD1 Relating to Equal Pay.

It is well documented that there is a large gap in gender pay across the nation and in Hawaii where women earn only 84% of what men earn.

Non-profit agencies in Hawaii have historically offered low salaries which did not reflect the level of education, experience and responsibility associated with the positions. These agencies, which were predominately filled by females with a few male top executives, were seen as helping and giving organizations and so perpetuated the idea that the women should work for lower wages for the good of the community. Slowly this mind set is changing to reflect a more professional attitude toward the non-profit workforce. However, this change has been slow and contributes to the wage gap.

In my application for the two executive director positions which I subsequently secured, I was required to list my past salary history. Only after being in these positions, did I discover that previous Executive Directors were compensated well above me. In one case over twice my salary. Interestingly, one was a female and the other a male.

I am ashamed to admit, when in the position of hiring, I often used previous salary history to offer lower salaries to save funds for the agency. I also found myself using pay history to eliminate applicants with high salary histories who were perhaps changing fields or relocating from the mainland thinking that they wouldn't consider the lower range I could offer. With the increased usage of on-line application processes, this type of salary history screening often eliminates applicants. If this measure were in place all applicants would be considered based on their qualifications rather than pay history.

No matter how good your intentions are when in the position of hiring, if past salary history is available, it is very tempting to use it as a factor in hiring.

I also support the provision prohibiting retaliation against employees who share and discuss their own wages.

Employee turnover continues to be a problem in Hawaii, especially when unemployment is low. This bill is an important step in reducing turnover by ensuring competitive salaries and equal treatment.

Let Hawaii join other states in passing this legislation where these measures have been shown to succeed in leveling the salary discrepancies and retaining talented employees. I encourage your support for this measure.

Mahalo for allowing me to submit my testimony today.

HB-2137-HD-1

Submitted on: 2/28/2018 9:14:16 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia J. Goto	Individual	Support	No

Comments:

HB2137 will help Hawaii move forward toward achieving equal pay for all. Thank you for your consideration to pass this bill for further discussion.

HB-2137-HD-1

Submitted on: 2/28/2018 9:28:45 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Younghi Overly	Individual	Support	No

Comments:

Dear Chair Nishimoto, Vice-Chair San Buenaventura, and Members of the House Committee on Judiciary,

Thank you for the opportunity to testify in strong support for H.B. 2137.

In Hawaii, median annual pay for a woman who holds a full-time, year-round job is \$40,434 while median annual pay for a man who holds a full-time, year-round job is \$48,074. This means that women in Hawaii are paid 84 cents for every dollar paid to men, amounting to an annual wage gap of \$7,640. This equates to about 51 weeks of food for the working woman. In Hawaii, more than 52,000 family households are headed by women; about 17 percent of the families headed by women have incomes that fall below the poverty level. Eliminating the wage gap would provide much-needed income to women whose wages sustain their households. So not only do gender pay gap unfair to the working women, it is unfair to their families. (Source: [National Partnership for Women & Families, Hawaii Women and the Wage Gap, April 2017](#))

H.B. 2137 proposes two effective simple fixes to the problem of gender pay gap, at zero cost to the employers. By prohibiting employers from asking potential employees about their earnings at a previous job, women will be offered salaries based on their educational qualifications, their occupational skills, and their workplace successes, rather than the lower wages they suffered at previous jobs. Preventing employers from retaliating employees who discuss their wages is also helpful for businesses in a fair wages environment because it encourages knowledge of wages and knowledge of fairness to percolate among employees. A research by a coalition of Columbia-Berkley economists demonstrates that this knowledge will be good for worker morale, the workplace environment, and ultimately, business output. (Source: Emily Breza, Supreet Kaur & Yogita Shamdasanani 2016 "The Morale Effects of Pay Inequality," NBER Working Papers, National Bureau of Economic Research)

Some business owners have mentioned concerns that for unspecified means they won't be able to hire good employees if they don't know previous salaries. I doubt that Hawai'i businesses are quite as poorly managed as implied by this statement, which is readily countered by available information from other locations. Hiring of good employees has not proved to be an issue in other jurisdictions, where employers do not access salary information. There are ample data for making good hiring decisions, available from the

application of careful interview strategies, combined with attention to letters of reference about potential employees, and other documents, including Resumes, university transcripts, and a history of previous work experience.

It has also been suggested that disclosure of salaries should be voluntary. This type of modification would reduce the effect of the bill significantly. Potential employees would feel pressured to disclose, and nervous that lack of disclosure would be viewed as uncooperative by the potential employer and diminish their chances of a job offer. This bill needs to cover businesses fully, which is the only way to reduce the gender pay gap. There also is a fallacious argument that maintaining the status-quo is more protective of women than removing salary disclosure. We already have decades of data demonstrating that the existing system is penalizing women, so an argument for the status-quo is not one that women endorse.

It has been unfortunate that the media have seen fit to disseminate a report by a PayScale employee, who lacks academic credentials in economics or research methods suggesting that salary disclosure has no effect on the gender pay gap. Her study is methodologically flawed, and PayScale, which gathered the data, benefits to the tune of millions of dollars from states not passing the type of legislation considered in this bill. While the company has been supportive of other equal pay initiatives, they are not supporting this one which affects their bottom line significantly. However, most businesses do not sell data about wages, and as has been shown, most businesses will benefit from following the rules suggested in this bill, as do employees.

As a retired IBM manager, I can testify for H.B. 2137 based on its benefit to the employers. Starting late 1990s, IBM started to track and share with employees where their pay stood in comparison to what market paid. This meant the managers had to make sure that employees were paid fairly in order to retain them. This also assured the employees that they were paid fairly, reducing the suspicion that employees at other companies may be getting paid better. While fair pay is not the only tool available to managers, I believe this fair and transparent pay practice which H.B. 2137 would create helped with employee morale and employee retainment. In one case when I made sure that an employee was paid fairly for the work she was doing rather than paid based on pay from her previous job (she was a teacher), she went extra mile whenever IBM needed her to do so and became one of the best performers in the business unit.

So I strongly support H.B. 2137 because it is fair to women, for their families, and because these fair pay practices are also good for the employers.

HB-2137-HD-1

Submitted on: 2/28/2018 9:29:37 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Betty Sestak	Individual	Support	No

Comments:

The gender wage gap is real and this is one step towards making women able to earn as much as men for the same work.

HB-2137-HD-1

Submitted on: 2/28/2018 9:32:41 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
elizabeth hansen	Individual	Support	No

Comments:

It is imperative that this bill pass regarding Equal Pay. This gender pay inequality appears to continue whether a woman has a college degree or despite their seniority. This must finally stop. Thank you for your support.

Elizabeth Hansen,

Hakalau HI, 96710

HB-2137-HD-1

Submitted on: 2/28/2018 9:41:29 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mele Spencer	Individual	Support	No

Comments:

I support this legislation.

Mele Spencer (member Hawaii County Committee on Status of Women)



February 28, 2018

To: Hawaii State House Committee on Judiciary
Hearing Date/Time: Thursday, March 1, 2018 (2:00 pm)
Place: Hawaii State Capitol, Rm. 325
Re: Testimony in support of HB2137 HD1

Dear Representative Scott Y. Nishimoto (Chair), Representative Joy A. San Buenaventura (Vice Chair), and Committee Members,

I am grateful for this opportunity to testify in **strong support of HB2137**, which directly confronts the gender equity issue in employment wages. This is a concern in Hawai‘i, and in the USA in general because most Americans believe fundamentally in fairness. We hear this mantra whispered to children by family members, imparted to students in secondary school, and promoted in community educational policies. If we spend this much effort in extolling the benefits of fairness in a civil society, how can we not support this attribute in the work place?

We have clear evidence that fairness does not prevail in the locations where people earn their incomes. Men and women performing similar occupational tasks are not paid the same salaries. These gender-based salary differentials are found across occupations, and continue through individuals’ working lives, worsening with age.¹ The gender pay gap affects women’s abilities to feed their families at the start of their careers, and their capacities to retire in comfort at age 65. All families in Hawai‘i with a female family member in the workplace are negatively impacted.

In addition, economic data demonstrate that the pay gap is not diminishing any time soon, which means that my grand-daughter will still be dealing with lower wages than men in her university graduating cohort, and in her later years of life. Indeed, “a girl born in the United States in 2017 has a life expectancy of 87 years. In 2082, when she turns 65, a wage gap will still remain in 13 states.”²

There is little that women can do on their own to protect themselves against the gender pay gap. Women are encouraged to take courses in negotiating skills, but this only allows certain women to improve their salaries and does not truly counter the broader social norms or the situation of the majority of women.

Attending university does not eliminate the gender effect in salaries. Women experience its effects a year after receiving their undergraduate degrees, and their economic situations worsen in comparison to those of men ten years after graduation.³

Women are encouraged to select high-profit majors, such as STEM fields, but research shows that when women become more prevalent in a field, salaries drop in the

¹ US Dept. of Labor, Bureau of Labor Statistics, “Labor Force Statistics from the Current Population Survey,” <https://www.bls.gov/cps/cpsaat39.htm>; AAUW, *The Simple Truth about the Gender Pay Gap*, 2017; <https://www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap/>.

² “Status of Women in the States. Projected Year the Wage Gap Will Close by State. IWPR #R476.” March 2017. www.statusofwomen.org

³ AAUW, 2012, *Graduating to a Pay Gap*, <https://www.aauw.org/resource/graduating-to-a-pay-gap/>; AAUW, 2007, *Behind the Pay Gap*, <https://www.aauw.org/files/2013/02/Behind-the-Pay-Gap.pdf>.

profession.⁴ There is a gender effect across occupations and within occupations, and women cannot change this situation on their own, which is why we need this bill to pass.

This issue is complex, and it will require multiple types of legislation and policy interventions to correct. Two simple fixes are proposed in this bill, which is focused on discussion of wages in the workplace, and provision of one's previous salary to a new employer. Women's salary histories show that a gender penalty follows them from one workplace to another. This bill is an effort to break this cycle, by prohibiting employers from asking potential employees about their earnings at a previous job. This means that women will be offered salaries based on their educational qualifications, their occupational skills, and their workplace successes, rather than the lower wages they suffered at previous jobs. Similar bills have been passed in a number of other states, including, California, Oregon, Delaware, Massachusetts, and New Jersey, and proved successful in changing how HR employees and small businesses deal with employees.

It is apparent that employees benefit from a salary-history bill, but does it benefit businesses? Are there any incentives for employers to hire in this manner? Interestingly, recent studies by a Columbia University / University of California Berkeley coalition of economists has demonstrated that pay inequality has major negative effects in the workplace for employers.⁵ For example, workers who were aware that they were paid in an unequal fashion (i.e., different wages for similar types of work) demonstrated their disgruntlement in various ways against their employer. Unfairly paid employees were lax in their work attendance, showed decreased cooperation with each other, and had lower work outputs, compared with those, who knew they were being paid in an equal manner. Employees reward their employers with better work according to a variety of measures in an economically-fair environment.

One conclusion from these studies is that employers should be implementing these types of measures, which are zero cost to the fair employer, in the interests of getting better work from their employees and encouraging employees to remain with the business long-term. A second lesson from the research is that employees who know that they are paid fairly are more invested in their place of employment, and in working effectively, so employers should share this information with their workers.

In fact, the second portion of this bill, preventing employers from negatively sanctioning employees who discuss their wages is also helpful for businesses in a fair wages environment because it encourages knowledge of wages and knowledge of fairness to percolate among employees. The Columbia-Berkley research demonstrates that this knowledge will be good for worker morale, the workplace environment, and ultimately, business output.

Some business owners have mentioned concerns that for unspecified means they won't be able to hire good employees if they don't know previous salaries. I doubt that Hawai'i businesses are quite as poorly managed as implied by this statement, which is readily countered by available information from other locations. Hiring of good employees has not proved to be an issue in other jurisdictions, where employers do not access salary information. There are ample data for making good hiring decisions, readily available from the application of careful interview strategies, combined with attention to

⁴ Francine D. Blau & Lawrence M. Kahn, 2016, "The Gender Wage Gap," <http://ftp.iza.org/dp9656.pdf>

⁵ Emily Breza, Supreet Kaur & Yogita Shamdasanani, 2016, "The Morale Effects of Pay Inequality," *NBER Working Papers*, National Bureau of Economic Research.

letters of reference about potential employees, and other documents, including Resumes, university or high school transcripts, and a history of previous work experience. Indeed, in the past few weeks, I chaired a committee considering a CEO hiring for a consortium working across several Pacific states, and we experienced no difficulty in judging candidates, without using previous salary information.

It has also been suggested that disclosure of salaries should be voluntary. This type of modification would reduce the effect of the bill significantly. Potential employees would feel pressured to disclose, and nervous that lack of disclosure would be viewed as uncooperative by the potential employer and diminish their chances of a job offer. This bill needs to cover businesses fully, which is the only way to reduce the gender pay gap.

I have also encountered the fallacious argument that maintaining the status-quo is more protective of women than removing salary disclosure. We already have decades of data demonstrating that the existing system is penalizing women, so an argument for the status-quo is not one that women endorse.

It has been unfortunate that the media have seen fit to disseminate a report by a PayScale employee, who lacks academic credentials in economics or research methods⁶ suggesting that salary disclosure has no effect on the gender pay gap. Her study is methodologically flawed, and PayScale, which gathered the data, benefits to the tune of millions of dollars from states not passing the type of legislation considered in this bill. While the company has been supportive of other equal pay initiatives, they are not supporting this one which affects their bottom line significantly.

It is also unfortunate that the *Honolulu Star Advertiser* chose to re-publish an article by Noam Scheiber under a misleading new title.⁷ Scheiber is a good journalist, and his original *New York Times* piece appeared under a more balanced title.⁸ Indeed, the article is overall balanced, although he does lead with a provocative claim (a habit of most journalists), with the goal of creating a reaction and disseminating the piece.

Scheiber's controversial and unproven lead in his article suggests that employers will react in the same manner to learning that black men (as opposed to white men) have criminal records as they do to learning that women (as opposed to men) have lower salaries. Why he, or the one researcher he consults, think that racial discrimination on the basis of criminal records is the same as gender discrimination on the basis of lower salaries is not explained. We have no evidence that employers equate race to gender, nor do we have evidence that employers equate criminal records to salary levels. The application of data from studies of criminal records to the equal pay bill seems to be suggesting that information about oranges is readily applicable to information about apples. Yes, they are both fruit, and yes, the broader research topic is employment, but the data are not comparable, and I have not seen this claim made previously, either by journalists (who like to push the boundaries), or by researchers (who tend toward caution).

I am disappointed that this erroneous link between two very different research databases has been spread across Hawai'i in an irresponsible manner at

⁶ Lydia Frank, Vice President of Content Strategy, with a B.A. in journalism. <https://www.payscale.com/career-news/author/lydia-frank>

⁷ Noam Scheiber. "Balancing act: New laws barring an employer from asking your salary history are supposed to help resolve pay disparities, but could they also hurt your chance of getting the job?" *Honolulu Star Advertiser*, February 18, 2018.

⁸ Noam Scheiber. "If a law bars asking your past salary, does it help or hurt?" *New York Times*, February 16, 2018.

this particular point in time. My hope is that most logical members of the general public and the business community will not be swayed by its fallacious reach.

It is anticipated that owners and managers of well-run businesses will see the merits of this bill, and as has been shown, most businesses benefit from following the rules suggested in this bill, as do employees. In Hawai‘i, full-time, year-round women workers earn on average only 84% of what their male counterparts earn. There are many situations, when women earn lower percentages, especially if they are women of color, or work part-time, among other factors.

Moving Hawai‘i forward to a situation in which women receive similar economic rewards to those of men has the potential to improve the situation of many Hawai‘i households, which tend to include multiple earners living under the same roof.

Approximately 56,000 Hawaiian households survive on female wages, and 19% of these families are struggling with incomes below the poverty level.⁹ It is estimated that 61.2% of children living in poverty in our state with working mothers would benefit “if working women were paid the same as comparable men [2016 data].”¹⁰

In conclusion the fixes provided in **HB2137 HD 1** have high potential to improve women’s salaries across the state. Focusing on fairness is also good for businesses by improving workplace morale and output. I urge the passage of this bill, and caution against further delay.

Thank you for the opportunity to testify.

Sincerely

Susan J. Wurtzburg

Ph.D., Policy Chair

⁹ National Partnership for Women and Families, 2017, “Hawaii Women and the Wage Gap,” <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2017-hi-wage-gap.pdf>

¹⁰ Table 3: Impact of Equal Pay on Children. Institute for Women’s Policy Research, “Status of Women in the States. IWPR #C457.” www.statusofwomendata.org

eliminating racism
empowering women

ywca

O'ahu

Fernhurst YWCA
1566 Wilder Avenue
Honolulu, Hawai'i 96822
808.941.2231

Kokokahi YWCA
45-035 Kāne'ohe Bay Drive
Kāne'ohe, Hawai'i 96744
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Laniākea YWCA
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ywcaoahu.org

Hawaii State House Committee on Judiciary
Hearing Date/Time: Thursday, March 1, 2018 2PM
Hawaii State Capitol, Rm. 335

Position Statement Supporting House Bill 2137

Thank you Chair Nishimoto, Vice San Buenaventura and Committee Members, The YWCA O'ahu supports House Bill 2137, which would help close the wage gap between men and women.

House Bill 2137 makes small provisions that ensure a person is paid according to their education, experience, and skills. It is an undeniable fact that women earn less than men. Women in Hawaii earn on average twenty cents less per dollar than a male counterpart. Native Hawaiian women earn 40 cents less per dollar. Women earn less from the beginning of their career and that lower salary follows them. Salary negotiating workshops for women will advise not to answer the "previous salary" question if possible, because they know the harm it will cause. The loss of earnings over a lifetime is significant to a woman, her family, and her economic vitality.

For women in Hawaii, the yearly collective lost in wages is more than \$2.5 billion. If the wage gap were closed, women would have enough money for:

- An additional 8 months of child care
- Approximately 51 more weeks of food for her family
- More than 5 additional months of rent

The additional income is also beneficial to our local economy. The changes in HB 2137 are small but significant. It allows women who have the experience, education, and skill set to be paid a salary/wage they deserve.

Kathleen Algire
Director, Public Policy and Advocacy
YWCA O'ahu

YWCA IS ON A MISSION

HB-2137-HD-1

Submitted on: 2/28/2018 11:18:51 AM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

My name is Caroline Kunitake and I support HB 2137 HD 1.

Ms. Jo Ann C. Kocher
7124 Naakea Street
Honolulu, Hawaii 96825
February 28, 2018

Subject: Support of HB2137 HD 1

Date/Time of Hearing: March 1, 2018; 2:00 p.m.

Committee on Judiciary

To Whom It May Concern:

Thank you for the opportunity to express my support for HB2137 HD 1 (AAUW Equal Pay Bill). As President of the Windward Oahu Branch of the American Association of University Women (AAUW), the issue of equal pay is very important to me. There are inequities in the salaries of men and women in too many workplaces, nationwide and in Hawaii, where women are paid 84 cents for every dollar their male counterparts earn. Unfortunately, this disparity often follows the women even when they change jobs. This affects the woman's ability to provide for herself throughout her working life and into retirement. Since many women are contributing or sole providers for their families, it also impacts their children adversely. In Hawaii, more than 52,000 households are headed by women. About 17 percent of those families live below the poverty line.

This issue has been manifested for many years and is caused by various contributing factors. It cannot be solved overnight but can be corrected with multiple levels of interventions. Although gender discrimination is illegal, women have been waiting for many years for the pay gap to be eliminated. Women cannot, and should not, wait any longer. One of the most important and effective corrections to this issue is through legislative changes. Two simple proposals are included in HB2137 HD 1, which would greatly help women in the workforce. This bill focuses on a discussion of wages in the workplace, and provision of one's previous salary to a new employer. Women's salary histories show that a gender penalty follows them from one workplace to another. This bill, if passed, would begin to break this cycle, by prohibiting employers from asking potential employees about their earnings at a previous job. Women would be offered salaries based on their educations, occupational skills and achievements, rather than the lower wages they suffered at previous jobs. Previous salaries need to be unknown for women to avoid prior pay discrimination from following them from job to job. The bill would also prohibit employers from sanctioning or discriminating against employees who discuss their salaries. Similar bills have been passed in several other states. It is time for Hawaii to move into the 21st Century regarding equal pay for men and women. Research has shown that productivity and morale increase for both employers and employees when everyone is treated fairly and with respect.

Thank you for the opportunity to testify in this important matter. If you have any questions or would like to discuss my support for this bill further, please feel free to contact me at 808 395-1300 or at Tiger2Balm@aol.com.

Sincerely,

Jo Ann C. Kocher



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiiifood.com

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John Shilf, Rainbow Sales & Marketing, *Advisor*
Barry Taniguchi, KTA Superstores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*

TO:
Committee on Judiciary
Rep. Scott Y. Nishimoto, Chair
Rep. Joy A. San Buenaventura, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: Thursday, March 1, 2018
TIME: 2pm
PLACE: Conference Room 325

RE: HB 2137 Relating to Equal Pay

Position: Comments

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

Hawaii currently has an unemployment rate of about 2%, which is the lowest that any state has ever recorded. In this incredibly competitive labor market employers must use all the tools available to them to fill job openings with qualified candidates. An applicant's salary history is one important piece of information that helps paint a picture of a person's work experience and career trajectory.

Both job seekers and those involved in the hiring process are aware that a previous salary is not the sole dictator of the wage at a new job. Potential employees can easily let employers know during the hiring process if they feel that their former wages were inadequate for any reason, or not an accurate comparison for the work and compensation they anticipate in the new position. However, prohibiting any discussion of previous wages means that both parties may have to start negotiations with hypothetical numbers, which can make the process unnecessarily complicated and adversarial.

While we fully support the intent of this measure, our concern is that banning the disclosure of this particular piece of information places both potential employers and employees at a

disadvantage when conducting negotiations. We thank you for the opportunity to testify.

HB-2137-HD-1

Submitted on: 2/28/2018 1:53:32 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice

Supporting HB 2137 HD1 – Relating to Equal Pay

House Committee on Judiciary

Scheduled for hearing at Thursday, March 1, 2018, 2:00 PM, in Conference Room 325

Dear Chair Nishimoto, Vice Chair San Buenaventura, and members of the Committee:

Thank you for the opportunity to testify in SUPPORT of **HB 2137 HD1**, which would prohibit prospective employers from requesting or considering a job applicant's pay history as part of the hiring process as well as prohibit enforced wage secrecy and retaliation or discrimination against employees who disclose, discuss, or inquire about their own or their colleagues' pay.

These provisions are intended to reduce the gender wage gap, which would help ensure more financial security for women and their families across Hawai'i. Eighteen other states have laws that protect against discrimination for discussing wages, and since 2016 eight states and cities have banned salary history requests.

In Hawai'i, females make 84 cents for every dollar a male makes. However, Asian women in Hawai'i make only 74 cents for every white male dollar, significantly lower than the national average for Asian women of almost 85 cents.

The National Partnership for Women and Families pegs the pay gap as taking \$2.5 billion out of the pockets of women statewide, or \$7,640 per woman per year. According to the National Women's Law Center, the lifetime wage gap for women in Hawai'i is \$305,600 over a 40-year career.

The problem of the wage gap is only compounded in Hawai'i by our high cost of living. These burdens make it very difficult for women to pursue further education, start a business, buy a home, or save for retirement. Economic insecurity also makes it more difficult for women to leave domestic violence situations. These all have effects on future generations.

Three out of ten Hawai'i single mothers with children under the age of 18 live in poverty. When their children are all under the age of five, one-third of single mothers are poor. Meanwhile, research from the Institute for Women's Policy Research estimates that eliminating the gender wage gap would reduce the poverty rate among single mothers at the national level by almost half.

We can and should find ways to better ensure that our women and their children can find economic security in the Aloha State. The modest and common-sense proposals contained within HB 2137 HD1 would move us closer towards that goal.

We appreciate your consideration of this testimony.

The Hawai'i Appleseed Center for Law and Economic Justice is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

HB-2137-HD-1

Submitted on: 2/28/2018 3:46:55 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Office of Hawaiian Affairs	Individual	Support	Yes

Comments:



Chamber of Commerce HAWAII

The Voice of Business

LATE

**Testimony to the House Committee on Judiciary
Thursday, March 1, 2018 at 2:00pm
Conference Room 325, State Capitol**

RE: HOUSE BILL 2137 HD1 RELATING TO EQUAL PAY

Chair Nishimoto , Vice Chair San Buenaventura, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **has comments** on SB 2351 HD1, which prohibits prospective employers from requesting or considering a job applicant's wage or salary history as part of an employment application process or compensation offer. It prohibits enforced wage secrecy and retaliation or discrimination against employees who disclose, discuss or inquire about their own or coworker's wages.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Not the Whole Picture

We support the equal pay in the workplace. However, like many difficult issues there is complexity. Supporters of this legislation often cite statistics that say that on average, women earn 77 cents on the dollar as compared to men. This often leads to the assumption that there must be wide spread wage discrimination by employers. However, this does not tell the whole picture or provide details on what is happening in the workplace. The 2009 report (see, U.S. Department of Labor, Consad Research Corporation, An Analysis of Reasons for the Disparity in Wages Between Men and Women) prepared for the U.S. Department of Labor, provides some insight into the factors that include the fact that a larger percentage of women work in part-time jobs, a larger percentage of women leave the work force at some point for family responsibilities to name a few.

Another telling report comes from Pew Research. Below are some of other parts of the story.

- The BLS study looks at weekly earnings and not hourly earnings which leads to a larger gap, especially since women are twice as likely as men to work part time.
- The BLS study restricts the estimate to full time workers which leaves out a significant share of workers, both men and women. Also, men report working longer hours – 26% of full time men say they work more than 40 hours per week compared to 14% of women.
- Occupation, negotiation of wages and tradeoffs of compensation for other amenities such as flexible work hours are other attributes for the wage differential.



- For young women, the pay gap is smaller at 93%.
- The presence of discrimination is more difficult to quantify.

Existing Law

It is already against the law for an employer to discriminate in setting employee wages based on gender. At the state level we have the Equal Pay Law, which clearly states that no employer shall discriminate based on gender when setting wages. At the federal level, the Equal Pay Act says that employers must pay equal wages to women and men in the same establishment for performing substantially equal work.

In 2009, Congress passed the Lilly Ledbetter Fair Pay Act, which extended the statute of limitations for filing an equal pay lawsuit. We believe these laws already cover the issue of gender wage discrimination.

No Due Process for Employers

We disagree and oppose the presumption that the employer is guilty of wage discrimination, and puts the burden of proof on them to prove their innocence. The bill amends Hawaii's Equal Pay Law to limit three allowable "bona fide" factors for wage differentials to a seniority system, a merit system, and an occupational qualification. This ties the hands of the employers in any legal flexibility in compensation.

This section could create many frivolous lawsuits against employers. Lawsuits (threatened or filed) have a substantial impact on small business owners. We have heard story after story of small business owners spending countless hours and sometimes significant sums of money to settle, defend, or work to prevent a lawsuit.

Sharing of Wage Information

This section is unnecessary. All employers covered by the National Labor Relations Act are already prohibited from preventing employees from discussing wages among themselves. Also, Hawaii Labor Relations Board generally applies similar law to employers not covered by the NLRA.

Additionally, we believe that this section could lead to morale problems in the workplace.

Other Reasons

In closing, we support the principle of equal pay, however we believe this legislation would ultimately impose enormous burdens and risks on employers; devalue important factors in establishing wages, such as training, experience, education, and skill; and expand litigation opportunities. If the concern is truly prohibiting discriminations then we believe enforcement should be the focus and not a change in the law. Lastly, it could tie the hands of employers in offering other benefits that employees may value for their own individual situation.

Thank you for the opportunity to testify.



Hawaii Women's Coalition

LATE

COMMITTEE ON JUDICIARY

Rep. Scott Y. Nishimoto, Chair

Rep. Joy A. San Buenaventura, Vice Chair

DATE: Thursday, March 1, 2018

TIME: 2 p.m.

PLACE: Conference Room 325

Aloha Chair Nishimoto, Vice Chair San Buenaventura and members,

STRONG SUPPORT FOR HB2137 that would prohibit prospective employers from requesting or considering a job applicant's wage or salary history as part of an employment application process or compensation offer. Prohibits enforced wage secrecy and retaliation or discrimination against employees who disclose, discuss, or inquire about their own or coworkers' wages.

Lilly Ledbetter was hired by Goodyear in 1979. After working for Goodyear for nineteen years, and nearing retirement, Ledbetter received an anonymous note revealing that she was making thousands less per year than the men in her position. Her discovery and subsequent crusade led the Lilly Ledbetter Fair Pay Act in 2009. Unfortunately the act has failed to result in equal pay for equal work due at least in part to the fact the right-wing led Supreme Court severely restricted the time period for filing pay discrimination claims, making it onerous for the individual woman.

Fortunately we in Hawaii have the opportunity to redress this imbalance. Keep in mind that women in Hawaii are still making 20 percent less than men doing the same job. Wage secrecy policies that include retaliation for disclosure coupled with employers basing salary/wages on a woman's already unequal pay at her previous job keep women from advancing.

These discriminatory practices hurt everyone, including the employer who may gain in short-term profits but will lose in morale and productivity. The economy as a whole suffers from these practices as dissatisfied workers look elsewhere resulting in a constant and costly churn in the workforce.

Please pass this bill,

Mahalo for the opportunity to testify,

Ann S. Freed Co-Chair, Hawaii Women's Coalition

Contact: annsreed@gmail.com Phone: 808-623-5676

LATE

HB-2137-HD-1

Submitted on: 3/1/2018 8:06:29 AM
Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Maria Pena	Individual	Support	No

Comments:

LATE



**NATIONAL WOMEN'S POLITICAL CAUCUS
HAWAII CHAPTER
RECRUIT. TRAIN. ELECT.**

**TESTIMONY IN SUPPORT:
HB2137 HD1 RELATING TO EQUAL PAY**

**HEARING BEFORE THE HOUSE JUDICIARY COMMITTEE
3/1/18 2:00 PM, ROOM 325**

Dear Chair Tokuda and Chair Taniguchi:

The Hawaii Chapter of the National Women's Political Caucus strongly supports this measure.

Disparity in pay between men and women still prevails despite existing laws to the contrary. Public and private employers rely too much on knowing the previous salary of a candidate in determining qualifications, selecting, and setting pay for new employees. This practice tends to perpetuate existing gaps in pay. A good manager must bear the responsibility of determining a candidate's qualifications and work ethic—yet the Chamber of Commerce and other representatives of business associations claim that employers prefer to abdicate that responsibility, delegate it to the candidate's previous employer! That's not just poor management, it perpetuates the pay disparity that a woman bears, from her first job through to her retirement years.

Similarly, we have heard year after year from the Chamber that disclosing wages will harm worker morale, when the hard data shows that it is unfair pay policy that harms both productivity and morale—and is rampant. Overall, women make 84 cents on the dollar compared to men, but Native Hawaiian women make just 59 cents compared to white men in Hawaii. Workers who are able to learn and discuss wage disparity without fear of retaliation are the best defense against discrimination.

It's time for employers to stand up and do what is right for women and for minorities who suffer from hiring policies that stack the deck against them. Thank you for your support for this bill.

CONTACT

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Feb 28, 2018



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LATE

HB-2137-HD-1

Submitted on: 3/1/2018 1:15:40 PM

Testimony for JUD on 3/1/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Janis Chang	Individual	Comments	No

Comments:

I support HB2137 HD1 with the request to amend the enactment date of January 1, 2050 to a much earlier date, within the next 2 or 3 years after its passing into law.

Thank you very much for your consideration.