

# HB2598 HD2

**Measure Title:** RELATING TO FAMILY LEAVE.

**Report Title:** Paid Family Leave; DLIR; Insurance; Board; Report; Appropriation (\$)

**Description:** Requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020. Authorizes DLIR to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature. Requires the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave. Establishes a Paid Family Leave Special Fund. Appropriates funds. (HB2598 HD2)

**Companion:** [SB2990](#)

**Package:** None

**Current Referral:** LBR, WAM

**Introducer(s):** JOHANSON, BELATTI, BROWER, CULLEN, EVANS, FUKUMOTO, GATES, HOLT, ICHIYAMA, KEOHOKALOPE, KOBAYASHI, C. LEE, LOPRESTI, LOWEN, LUKE, MATSUMOTO, MORIKAWA, NAKAMURA, NAKASHIMA, OHNO, ONISHI, QUINLAN, SAIKI, TAKAYAMA, TAKUMI, THIELEN, TODD, WOODSON, YAMASHITA, Learmont, San Buenaventura

<b>Sort by Date</b>	<b>Status</b>	<b>Text</b>
1/24/2018	H	Introduced and Pass First Reading.
1/29/2018	H	Referred to LAB, FIN, referral sheet 9
2/1/2018	H	Proposed draft of Bill scheduled to be heard by LAB on Tuesday, 02-06-18 8:30AM in House conference room 309. Copy of proposed draft available at <a href="http://www.capitol.hawaii.gov">www.capitol.hawaii.gov</a> .
2/6/2018	H	The committees on LAB recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 7 Ayes: Representative(s) Johanson, Holt, Evans, Ichiyama, Keohokalole, Yamashita, Matsumoto; Ayes with reservations: none; Noes: none; and Excused: none.
2/16/2018	H	Reported from LAB (Stand. Com. Rep. No. 605-18) as amended in HD 1, recommending passage on Second Reading and referral to FIN.
2/16/2018	H	Passed Second Reading as amended in HD 1 and referred to the committee(s) on FIN with none voting aye with reservations; none voting no (0) and Representative(s) DeCoite, Ing, Nakamura, Onishi, Woodson excused (5).
2/20/2018	H	Bill scheduled to be heard by FIN on Thursday, 02-22-18 1:30PM in House conference room 308.
2/22/2018	H	The committees on FIN recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 13 Ayes: Representative(s) Luke, Cullen, Cachola, DeCoite, Fukumoto, Gates, Holt, Kobayashi, Lowen, Nakamura, Todd, Yamashita, Ward; Ayes with reservations: none; Noes: none; and 2 Excused: Representative(s) Keohokalole, Tupola.
3/2/2018	H	Reported from FIN (Stand. Com. Rep. No. 1060-18) as amended in HD 2, recommending passage on Third Reading.
3/2/2018	H	Forty-eight (48) hours notice Tuesday, 03-06-18.
3/6/2018	H	Passed Third Reading as amended in HD 2 with Representative(s) DeCoite, Har, Tokioka, Ward voting aye with reservations; Representative(s) Tupola voting no (1) and Representative(s) Woodson excused (1). Transmitted to Senate.
3/8/2018	S	Received from House (Hse. Com. No. 362).
3/8/2018	S	Passed First Reading.
3/8/2018	S	Referred to LBR, WAM.
3/16/2018	S	The committee(s) on LBR has scheduled a public hearing on 03-20-18 2:45PM in conference room 229.

**S** = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

Testimony of **Ford Fuchigami**  
Administrative Director, Office of the Governor

Before the  
**Senate Committee on Labor**  
March 20, 2018  
2:45 p.m., Conference Room 229

In consideration of  
**House Bill No. 2598 HD2**  
**RELATING TO FAMILY LEAVE**

Chair Tokuda, Vice-Chair English, and committee members:

Thank you for the opportunity to provide comments in **Strong Support for House Bill 2598 HD2**.

We believe it is indeed time we implement a paid family leave program which will benefit all workers across the state, but find it is particularly important for those workers and their families who are living paycheck to paycheck.

The Governor's Office appreciates the work done to move this important issue forward and supports the approach taken by this bill to stand up the program so it is prepared to begin collecting payments by July 1, 2020 and begin processing payments by July 1, 2022.

Lastly, the Governor's Office supports the House's efforts in creating an Implementation Board, which is inclusive and representative of various groups and impacted by the bill. This approach is laudable and presents the best option to ensure an open process moving forward. We do, however, respectfully request that the bill be amended to name the Administrative Director, rather than the Chief of Staff, as the Chairperson of the Implementation Board.

We appreciate your attention and will be available to answer your questions, should you have any at this time.



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

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March 20, 2018

To: The Honorable Jill N. Tokuda, Chair,  
The Honorable J. Kalani English, Vice Chair, and  
Members of the Senate Committee on Labor

Date: Tuesday, March 20, 2018  
Time: 2:45 p.m.  
Place: Conference Room 229, State Capitol

From: Leonard Hoshijo, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. NO. 2598 HD2 RELATING TO FAMILY LEAVE**

**I. OVERVIEW OF PROPOSED LEGISLATION**

This proposal amends Chapter 398, Hawaii Revised Statutes (HRS), by establishing the paid family leave special fund. An appropriation of an unspecified amount to the special fund will fund the implementation board as well as a Legislative Reference Bureau actuarial analysis. Legislative appropriations, gifts, donations, grants, and employee and employer contributions would go into the fund to pay for permanent and temporary staff positions, administration, and operational costs to establish paid family leave for all workers in the State.

The bill requires DLIR to adopt rules pursuant to Chapter 91, HRS, to establish paid family leave for all workers in the State by January 1, 2020, and allows DLIR to adopt interim rules exempt from chapter 91. The measure establishes a paid family leave implementation board within DLIR for administrative purposes, to assist the Department in establishing paid family leave for all workers in the State and to develop an analysis and implementation plan.

DLIR supports the intent of this proposal to provide access to paid family leave and offers comments, including concerns about adequate resources for this complex and important venture.

## **II. CURRENT LAW**

Hawaii Family Leave Law (HFLL) provides four weeks of protected, unpaid leave for employees of employers with 100 or more employees, on the birth or adoption of a child or to care for the employee's child, spouse, reciprocal beneficiary, sibling, or parent with a serious health condition.

Hawaii currently has an existing medical leave law, the Temporary Disability Insurance law (TDI), chapter 392, Hawaii Revised Statutes. The TDI law provides partial wage replacement for an eligible employee's own disability. TDI coverage and benefit payments are primarily processed through private insurance companies and employer self-insurance sick leave policies. Therefore, no employee/employer tax collection infrastructure exists for this benefit program.

## **III. COMMENTS ON THE HOUSE BILL**

DLIR supports the intent and appreciates that this measure recognizes the complicated nature of the request to implement a paid family leave law by creating the paid family leave implementation board. The Department has established dialogue with other states with paid family leave laws to understand how the other states implemented their programs.

A mandate to cover all workers (and their employers) in the State may be premature, and preclude the implementation board from considering costs and benefits in its deliberations. Which workers, of which establishments, vary among the other states.

An implementation board would likely develop appropriation request(s) for the Legislature.

The request to report back to the 2019 Legislature may be ambitious considering the time required to hire a program manager to support the implementation board. It is likely that establishing the position, recruiting and filling will at minimum take six months, or about time the first report is due. Similarly, implementing a program by January 1, 2020, considering other states' experiences who had existing infrastructure to work from or substantial resources, may prove quite challenging.

DLIR is unsure of what would constitute an adequate appropriation for FY2018-2019, however, to implement a paid family leave program with the assistance of the implementation board may require significant appropriation amounts depending on the range of various methods potentially suggested by the board. Washington State's program, which is a social insurance model and being developed from the ground up, is being implemented with an \$82 million general fund loan, has twenty-five staff, plans to increase to fifty soon, and projects a total of 150 staff to run the program eventually.

DLIR obtained an estimate of \$25-\$30 million for the IT portion of the project from a local vendor to develop the required hardware and software over an initial five-year

period. Washington projects spending between \$30 – \$50 million to develop its IT infrastructure over eight years, intending it for use across multiple programs.

When the Legislature considered adopting major workers' compensation reform or the adoption of TDI or Prepaid Healthcare Laws, it has instructed the Legislative Reference Bureau to commission a study, including a detailed actuarial component, before enacting those labor benefits and protections that form part the bedrock of Hawaii's labor protections<sup>1</sup>. Therefore, DLIR is appreciative that the measure contains a provision for the Legislative Reference Bureau to do a study that includes an actuarial analysis.

DLIR notes, however, that actuarial analyses are often quite costly. Act 188 (SLH, 2015) required the State Auditor to contract with an actuarial firm that has experience conducting workers' compensation closed claims studies in the United States to perform a study of closed claims in the State's workers' compensation system, however, the \$150,000 was insufficient to procure an actuarial firm. Further, the procurement process is likely to leave little or no time to produce any analysis by the date a report is due to the Legislature in 2019.

DLIR suggests that the Legislative Reference Bureau also consider appropriate statutory placement for a paid family leave program.

DLIR suggests that more discussion about the makeup of the Board should occur as this vehicle continues through the legislative process.

Lastly, DLIR notes that section 5 (a) and (b) may be redundant.

<sup>1</sup> <http://lrbhawaii.info/lrbreports/63/63workcomp.pdf>

<http://lrbhawaii.info/lrbreports/67/tdi.pdf>

<http://lrbhawaii.info/lrbreports/67/prepaid.pdf>

DAVID Y. IGE  
GOVERNOR



LAUREL A. JOHNSTON  
DIRECTOR

KEN N. KITAMURA  
ACTING DEPUTY DIRECTOR

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

**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**

TESTIMONY BY LAUREL A. JOHNSTON  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON LABOR  
ON  
HOUSE BILL NO. 2598, H.D. 2

**March 20, 2018  
2:45 p.m.  
Room 229**

RELATING TO FAMILY LEAVE

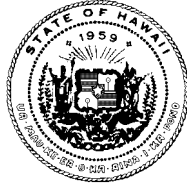
House Bill No. 2598, H.D. 2, proposes to implement a paid family leave system in the State and establish a Paid Family Leave Special Fund (PFLSF) which is to be administered by the Department of Labor and Industrial Relations (DLIR). The measure authorizes DLIR to adopt interim rules, which shall be exempt from Chapter 91, HRS, to effectuate the purposes of this Act, provided that the interim rules shall remain into effect until January 1, 2022, or until rules are adopted, whichever comes sooner. The bill also establishes a Paid Family Leave Implementation Board (PFLIB) within DLIR for administrative purposes only to assist DLIR in establishing paid family leave for all workers in the State, pursuant to this Act. The bill further requires the PFLIB to submit a report to the Legislature annually through 2024 providing specified information described in the Act. The PFLIB shall cease to exist on January 1, 2024.

The measure appropriates to the Legislative Reference Bureau (LRB) an unspecified amount of special funds from the PFLSF for FY 19 to conduct its analysis pursuant to this Act. The measure also appropriates to DLIR an unspecified amount of general funds for FY 19 to be deposited into the PFLSF and an unspecified amount from the PFLSF in FY 19 to fund one full-time equivalent program manager to support the PFLIB and expenses of the PFLIB, and expenses of DLIR in establishing paid family leave for all workers by January 1, 2020.

Because of the impact to employers and employees in the State, the Department of Budget and Finance (B&F) strongly recommends before any statutory measure is enacted that the State have a clear understanding of the issues and costs related to implementing a mandated paid leave system. This measure states the LRB shall conduct an analysis, prior to 2019, including an actuarial analysis, on select items addressed in the bill. B&F strongly urges the Legislature to have the LRB complete a thorough study on the paid family leave system proposed in this bill to identify issues and costs before the program is implemented.

Thank you for your consideration of our comments.

DAVID Y. IGE  
GOVERNOR



PANKAJ BHANOT  
DIRECTOR

CATHY BETTS  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

**LATE**

March 20, 2018

TO: The Honorable Senator Jill N. Tokuda, Chair  
Senate Committee on Labor

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2598 HD2 – RELATING TO FAMILY LEAVE**

Hearing: Tuesday, March 20, 2018 2:45 p.m.  
Conference Room 229, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports establishing and implementing a robust family leave insurance program for all employees in Hawaii, so long as the priorities outlined in the administration's budget are not adversely affected.

**PURPOSE:** The purpose of the bill is to establish a paid family leave program within the Department of Labor and Industrial Relations (DLIR); lay the groundwork to implement a paid family leave framework of laws and policies; establish a paid family leave implementation board.

In 2016, DHS, through the Hawaii State Commission on the Status of Women, received a competitive grant from the United States Department of Labor (US DOL). The US DOL Paid Leave Analysis grant program was intended to support research and analysis needed to explore, develop, implement, and/or improve paid family and medical leave programs at the State and municipal levels.

Through this grant, the HSCSW completed research in the following categories: economic analysis, eligibility, and benefit modeling; a feasibility and implementation study to carefully examine how a paid leave program could be successfully implemented on the state



level; public polling of Hawaii residents; focus groups of mothers, fathers, family caregivers, unions, small businesses, and large businesses. The research was completed in September 2017 and provides a wealth of data on how successful and financially solvent paid leave programs can be implemented, using Hawaii-specific data and employee information.

HB2598 HD1 provides for another study on paid leave, to be conducted by the Legislative Reference Bureau. DHS appreciates the need for sound data, but points out that all underlying research necessary to implement paid family leave has already been conducted.

Currently, 42% of employees in Hawaii's private sector lack access to even a single day of paid leave. Low wage workers are the least likely to have access to family leave, and hence, are more likely to miss out on critical time with newborns during their first weeks of life. DHS works with the most vulnerable and marginalized populations in our state and we have a vested interest in ensuring individuals are healthy, thriving, and economically secure.

DHS has undertaken a multi-generational approach through its implementation of 'Ohana Nui, recognizing that Hawaii has the highest percentage of multi-generational households, the highest cost of housing, one of the highest costs of living, and the fastest growing population of individuals aged 65 and older.

Our economy is reliant on a female and older workforce, precipitating a need to ensure our work place policies are reflective of this demographic. Paid family leave is associated with better health outcomes for children and mothers; an increase in children receiving well-baby check ups and vaccinations; increased bonding with children; and an increase in elderly individuals being able to age in place with family caregiver support.

In 2008, Act 143 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. Subsequently, the Family Leave Working Group was established as part of the Joint Legislative Committee on Aging to explore wage replacement benefits. This working group endorsed the establishment of a state sponsored long-term care insurance program through employee payroll deductions, similar to a social insurance program. The wealth of data on existing paid family leave programs reveal paid family leave programs function more effectively as social

insurance programs. Privatization of such a program risks harming the program's integrity and fiscal solvency.

Thank you for the opportunity to provide supportive comments on this measure.

Charlotte A. Carter-Yamauchi  
Director

Shawn K. Nakama  
First Assistant

Research (808) 587-0666  
Revisor (808) 587-0670  
Fax (808) 587-0681



LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol, Room 446  
415 S. Beretania Street  
Honolulu, Hawaii 96813

## Written Comments

### **HB2598, HD2 RELATING TO FAMILY LEAVE**

Charlotte A. Carter-Yamauchi, Director  
Legislative Reference Bureau

Presented to the Senate Committee on Labor

Tuesday, March 20, 2018, 2:45 p.m.  
Conference Room 229

Chair Tokuda and Members of the Committee:

Good afternoon Chair Tokuda and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments on H.B. No. 2598, H.D. 2, Relating to Family Leave.

The purpose of this measure is to:

- (1) Require the Department of Labor and Industrial Relations to establish rules, by no later than January 1, 2020, that implement paid family leave coverage for all workers that includes an unspecified minimum number of weeks of paid leave for employees, a system of progressive wage replacement, and job protection to ensure utilization of paid family leave does not adversely affect employment;
- (2) Establish a Paid Family Leave Implementation Board to develop an analysis and implementation plan for providing workers with family leave insurance benefits during times when a worker is required to take leave to care for a family member;
- (3) Require all executive branch departments and agencies to participate and engage in data collection and sharing to facilitate the paid leave program;

- (4) Establish a Paid Family Leave Special Fund to carry out the purposes of this measure;
- (5) Require the Legislative Reference Bureau to conduct a study, that includes an actuarial analysis of items included in the Paid Family Leave Implementation Board's study;
- (6) Require that both the Board's report and the Bureau's study include a multi-year budget, for establishing a paid family leave insurance program and include a review of other state leave and Temporary Disability Insurance models and review of Temporary Disability Insurance usage;
- (7) Appropriate an unspecified sum for fiscal year 2018-2019 from the general fund for deposit into the Paid Family Leave Special Fund;
- (8) Appropriate an unspecified sum for fiscal year 2018-2019 from the Paid Family Leave Special Fund for one full-time program manager to support the Task Force and the Department of Labor and Industrial Relations in establishing paid family leave for all workers by January 1, 2023; and
- (9) Appropriate an unspecified sum for fiscal year 2018-2019 from the Paid Family Leave Special Fund for the Legislative Reference Bureau to conduct the study and actuarial analysis and authorize Bureau to contract for services to complete the study.

The Bureau takes no position on the merits of this measure, but submits the following comments for your consideration.

However, we have some concerns with how the measure is currently drafted with respect to the work requested of the Bureau. The language of the measure requires the Bureau to not only conduct a study, but also perform an actuarial analysis of the following:

- (1) A comparative analysis of potential paid family leave models to cover all workers including, but not limited to, social insurance and temporary disability insurance expansion, including a breakdown of the costs for implementing and sustaining each model, review of other state leave models, and review of current temporary disability insurance usage and other state temporary disability insurance models;
- (2) Models that shall consider progressive wage replacement and job protection;
- (3) A multi-year budget for establishing a paid family leave insurance program;

- (4) A timeline for implementing paid family leave, including benchmarks and deliverables; and
- (5) Findings and other recommendations, including recommendations for ongoing regulation and additional funding resources.

We would like to also note that the bill does not specify to whom the report is to be delivered nor the date by which the Bureau is to submit it.

First, the Bureau does not believe that it can complete this task. The Bureau does not employ an actuary, nor has it contracted the services of one in at least the past two decades. Furthermore, the Bureau does not retain subject matter experts in the fields of social insurance, temporary disability insurance expansion, or paid family leave, nor do we have staff with any budgetary expertise or experience. Consequently, the Bureau would have to contract the services of such experts and do so by drafting a Request for Proposals on this project and executing a contract that is subject to the State Procurement Code. In addition, if the Legislature wanted the study and actuarial analysis submitted to it by next session, the Bureau would not be able to meet this deadline.

In addition and perhaps more importantly, it seems that the responsibilities established under the measure are divided unnecessarily between, and in many cases duplicative of those assigned to, the Paid Family Leave Implementation Board, the Department of Labor and Industrial Relations, and the Bureau. Trifurcating the duties and tasks established under the measure will most likely lead to difficult complications in coordinating the collection and dissemination of information among parties and coming to an agreement on how to proceed with assigned tasks. Moreover, the measure has:

- (1) The Department of Labor and Industrial Relations adopting rules that establish a paid family leave program for all workers in the State that meets certain specified criteria (see page 10, line 13, to page 4, line 13);
- (2) The Bureau conducting a study on a number of specified issues that overlap with the criteria to be used by the Paid Family Leave Implementation Board (see page 14, line 15, to page 15, line 15); and
- (3) The Board developing an analysis and implementation plan to provide workers with family leave insurance benefits (see page 14, lines 4-7) and reporting to the Legislature on substantially identical issues as the Bureau (see page 14, line 15, to page 15, line 15).

Furthermore, according to the measure, the Paid Family Leave Implementation Board and the Department of Labor and Industrial Relations, with moneys from the paid family leave special fund created in the measure, will be able to hire staff, contract a consultant, and defray costs associated with the implementation of the paid leave program. We also note that the Paid Family Leave Implementation Board's membership already includes

representatives of executive branch agencies that do have access to actuarial services and have considerable subject matter expertise in leave programs and insurance. As such, the measure establishes a seemingly convoluted and unnecessarily complicated process to create the paid leave program.

If the Committee decides to recommend the passage of this measure and desires to keep the Bureau involved, we respectfully request that:

- (1) The Committee clarify the role and responsibility of the various entities involved to eliminate duplication of effort and wasted resources;
- (2) If the Committee still wants the Bureau involved in the actual conduct of the study and actuarial analysis, that we be provided not less than two years to complete the assigned task and sufficient funds to contract for these services; or
- (3) If the Committee believes that the tasks established in the measure should be consolidated and executed by the Paid Family Leave Implementation Board, as the entity responsible for the study and actuarial analysis, and that the Bureau's role in this project should be limited to finalizing the Board's report and drafting proposed legislation, then the measure should be amended to specifically clarify that the Bureau assist with only the finalizing of the Board's reports and drafting proposed legislation. We would also request that it be specified that the respective draft report be submitted to the Bureau no later than September 1, 2018, so that work on the report would not adversely impact our ability to provide our core services to the Legislature for the upcoming Regular Session.

If the measure is amended to address the concerns noted above, the Bureau believes that the services requested under the measure would be manageable and that the Bureau will be able to provide the services in the time allotted; provided that the Bureau's interim workload is not adversely impacted by too many other studies or additional responsibilities, such as conducting, writing, or finalizing other reports, drafting legislation, or both, for other state agencies, task forces, or working groups that may be requested or required under other legislative measures.

Thank you again for your consideration.

HAWAII  
STATE  
COMMISSION  
ON THE  
STATUS  
OF  
WOMEN



Chair  
LESLIE WILKINS

COMMISSIONERS:

SHERRY CAMPAGNA  
CYD HOFFELD  
MARILYN LEE  
JUDY KERN  
AMY MONK  
LISA ELLEN SMITH

Executive Director  
Khara Jabola-Carolus

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March 19, 2018

To: Sen. Tokuda, Chair  
Sen. English, Vice Chair  
Honorable Members of the S. Committee on Labor

From: Khara Jabola-Carolus  
Executive Director  
Hawaii State Commission on the Status of Women

Re: Testimony in Support, HB2598 HD2

On behalf of the Commission on the Status of Women, I thank you for this opportunity to testify in support of HB2598, with concerns and reservations as to the language of HD2. HB2598, if passed, would require the Department of Labor and Industrial Relations (DLIR) to adopt rules by 2020 that establish paid family leave for all workers. The bill also establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature, and repeals the Board on January 1, 2024.

We know that paid family leave helps families and helps the economy, because families are socially and economically strengthened when 1) family leave is provided by an employer and 2) that family leave is paid leave.

The Commission recommends the following amendments:

1. Add "16" before weeks to Sec. 3(b)(1).
2. Delete section 4(f) in its entirety. Hawaii has already conducted a comprehensive analysis of potential paid family leave models and provided all underlying data necessary to implement paid family leave in Hawaii.<sup>1</sup> The mandated Legislative Reference Bureau (LRB) report would not only be redundant and wasteful of taxpayer dollars, but LRB has also testified that it lacks the bandwidth to meet the reporting requirements.
3. Add subsection (8) to Sec. 6(b): "The director of the Department of Human Services or designee."
4. Add new language that mandates a social insurance model over employer mandate, per the findings of the 2017 *Hawaii State Paid Family Leave Grant Analysis Report*.
5. Add specific language that subjects the implementation board to Sunshine Law requirements.

The Commission therefore supports HB2589 with the requested amendments and urges the Committee to pass this important measure.

Sincerely,

Khara Jabola-Carolus

<sup>1</sup> *Hawaii State Paid Family Leave Grant Analysis Report*, Nov. 2017, [https://www.dol.gov/wb/media/Hawaii\\_Report\\_Final\\_2.pdf](https://www.dol.gov/wb/media/Hawaii_Report_Final_2.pdf)

**HB-2598-HD-2**

Submitted on: 3/16/2018 3:04:24 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Michael Golojuch Jr	Testifying for LGBT Caucus of the Democratic Party of Hawaii	Support	Yes

Comments:

We need a Family Leave law in the Aloha State!



**HB-2598-HD-2**

Submitted on: 3/16/2018 5:25:14 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
	Testifying for Domestic Violence Action Center	Support	No

Comments:



# CARING ACROSS GENERATIONS

**Senator Jill N. Tokuda, Chair**  
**Senator J. Kalani English, Vice Chair**  
**Senate Committee on Labor**

**Tuesday, March 20, 2018, 2:45 p.m. Conference Room 229**

## **TESTIMONY IN SUPPORT OF HB 2598, HD2 – Relating to Family Leave**

Caring Across Generations in strong support of House Bill 2598, House Draft 2.

Caring Across Generations is a national movement of families, caregivers, people with disabilities and aging Americans working to transform the way we care in this country, calling for policy solutions that enable all of us to live and age with dignity and independence. Caring Across Generations has worked with partners in Hawai'i for years in support of legislation that will help make quality long-term care accessible to everyone.

Paid family leave is a necessary and affordable benefit that assists families to provide care for their loved ones, promotes worker retention, economic stability for working families, gender equity in the workplace, positive infant health outcomes, and reduces caregiver burnout.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers serve as the primary caregiver for a family member. Paid family leave would allow these workers to care for their family members without compromising economic stability.

Paid family leave would also compliment our currently existing programs that help family caregivers of the elderly. While the paid family leave program will assist caregivers who need to temporarily leave work due to episodic or crisis situations, the Kupuna Caregivers program could assist working caregivers to return to work quickly while still having access to caregiver assistance.

It is especially critical to include the progressive wage replacement to ensure that low-income workers are able to access the program. Those who earn less than half of the average weekly

wage should receive 90% of their weekly earnings, while middle-income to higher-income workers should receive 75% or 50% of their weekly earnings, with a weekly cap.

Because of the reasons stated above and many others, we are in strong support of House Bill 2598, House Draft 2.

Thank you for considering my testimony.

Sincerely,

**Pedro Haro**  
**Hawai'i Advocacy Director**  
**Caring Across Generations**  
**[pedro@caringacross.org](mailto:pedro@caringacross.org)**

To: Hawaii State Senate Committee on Labor  
Hearing Date/Time: Tuesday, Mar. 20, 2018, 2:45 p.m.  
Place: Hawaii State Capitol, Rm. 229  
Re: Testimony of Planned Parenthood Votes Northwest and Hawaii in support of H.B. 2598, HD2

Dear Chair Tokuda and Members of the Committee,

Planned Parenthood Votes Northwest and Hawaii (“PPVNH”) writes in support of H.B. 2598, HD2. PPVNH supports policies that help move us to a society in which it is feasible and commonplace to have family leave insurance (“FLI”) and the funding mechanisms that make such leave available to all workers.

Most workers have only limited paid leave to deal with their family health needs, and many have no leave at all. When a new child comes into a family or a serious illness strikes, people need longer periods of time off. FLI provides low-cost insurance for all workers, and is a wage replacement program for employees on leave to adopt or give birth to a child, take care of a loved one, or care for themselves.

FLI allows new parents and caregivers to take care of their family with stable, predictable income without becoming dependent on public resources like unemployment insurance or food stamps. Women who have paid leave tend to not only remain in the workforce after pregnancy, but have higher wages over time than those who do not. While it is crucial for women’s economic security and health to have FLI, families of all forms need this benefit too. Businesses see improvements in productivity and cost-savings as a result of providing paid family leave for workers.

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

Sincerely,

Laurie Field  
Hawaii Legislative Director



# HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Randy Perreira  
President

Telephone: (808) 597-1441

Fax: (808) 593-2149

The Twenty-Ninth Legislature, State of Hawaii  
Hawaii State Senate  
Committee on Labor

Testimony by  
Hawaii State AFL-CIO  
March 20, 2018

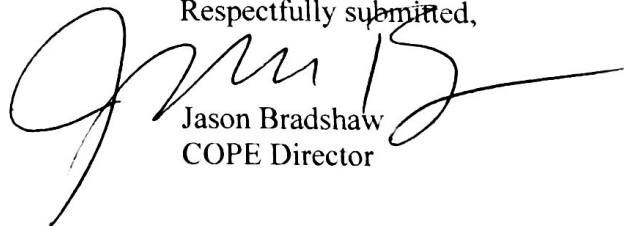
H.B. 2598, H.D.2 – RELATING TO  
FAMILY LEAVE

The Hawaii State AFL-CIO strongly supports H.B. 2598, H.D.2 which requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020, authorizes DLIR to adopt interim rules, establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature and requires the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave. Establishes a Paid Family Leave Special Fund.

The United States is the only industrialized country that does not provide paid family leave to workers, mothers, fathers, single parents and those who desperately need it. We get to claim that distinction with Papua New Guinea – a distinction we shouldn't be proud about. It is actually an embarrassment that we have to be discussing the importance of why paid family leave matters. But we do. Fortunately, a number of states and counties are moving forward with their own paid family leave measures and hopefully Hawaii moves forward with them. States such as California, Washington, New York and others have adopted paid family leave sending a strong message to the rest of the country that they care about working families. Hawaii can do the same. Passage of H.B. 2598, H.D.2 will show we care about working families and hopefully one day help pave the way towards a nationwide paid family leave measure.

Thank you for the opportunity to testify.

Respectfully submitted,



Jason Bradshaw  
COPE Director

**HB-2598-HD-2**

Submitted on: 3/17/2018 2:11:13 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
amy agbayani	Testifying for Filipina Advocacy Network FAN	Support	No

Comments:

Filipina Advocacy Network (FAN) strongly supports paid family leave and related regulations to implement this policy. Mahalo for your support of working families.

Amy Agbayani



March 17, 2018

Senator Jill N. Tokuda, Chair  
Senator J. Kalani English Vice Chair  
Senate Committee on Labor

**Re: H.B. 2598, H.D. 2 Relating to Family Leave**

**Hearing: Tuesday March 20, 2018, 2:45 pm, Room 229**

Dear Chair Luke, Vice Chair Cullen and Members of the Committee on Finance:

Hawaii Women Lawyers submits testimony in **strong support** of H.B. 2598, H.D.2. This measure ensures a paid family leave special fund and lays the groundwork to implement a paid family leave framework of law and policies so that all employees can access leave benefits during times when they need to provide care for a family member.

This bill is exceptionally important as Hawaii now is expected to have the highest growth rate (over 80 percent by 2030) of the elderly in the United States. Women are predominantly the primary caregivers of infants, children and their elder family members in our society. The time and money required to provide this care can be staggering. Women caregivers are more likely to either leave the workforce completely, or opt to work part-time, than their male counterparts if they must take over primary caregiver responsibility. This further exacerbates the already existing wage discrepancy for women. Paid family leave is a necessary and cost-effective way for caregivers to take leave from work to care for their families without facing significant financial or career implications.

The mission of Hawaii Women Lawyers is to improve the lives and careers of women in all aspects of the legal profession, influence the future of the legal profession, and enhance the status of women and promote equal opportunities for all.

Hawaii Women Lawyers supports this measure because it moves forward a system to support women who are the predominant primary caregivers of infants, children, and their aging parents. Paid family leave is also likely to encourage loyalty for women to remain in their careers. This measure will begin the necessary steps to frame and implement a sound family leave policy to protect and preserve Hawaii families' health and financial stability. For this reason, we respectfully request that the Committee pass H.B. 2598, H.D.2.

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

# COMMUNITY ALLIANCE ON PRISONS

P.O. Box 37158, Honolulu, HI 96837-0158

Phone/E-Mail: (808) 927-1214 / [kat.caphi@gmail.com](mailto:kat.caphi@gmail.com)



## COMMITTEE ON LABOR

Sen. Jill Tokuda, Chair,

Sen. Kalani English, Vice Chair

Tuesday, March 20, 2018

2:45 PM

Room 229

## SUPPORT FOR HB 2598 HD2 - FAMILY LEAVE

Aloha Chair Tokuda, Vice Chair English and Members of the Committee!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai'i for more than two decades. This testimony is respectfully offered on behalf of the families of **ASHLEY GREY, DAISY KASITATI, JOEY O'MALLEY, JESSICA FORTSON AND ALL THE PEOPLE WHO HAVE DIED UNDER THE "CARE AND CUSTODY" OF THE STATE** as well as the approximately 5,500 Hawai'i individuals living behind bars or under the "care and custody" of the Department of Public Safety on any given day. We are always mindful that approximately 1,600 of Hawai'i's imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons thanks the committee for hearing this bill that is so important to Hawai'i's compassionate people. As long-time a member of the Hawai'i Women's Coalition and a member of the Working Families Coalition, Community Alliance on Prisons stands in support of this measure that would require the DLIR to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022.

Currently, Hawai'i employees do not have a right to paid medical or family leave. This seems to be in conflict with how we live in Hawai'i. We are Hawai'i. We care for and about each other! Women are often disproportionately affected since they are oftentimes the caregivers for loved ones. The lack of family leave also exacerbates the wage gap and threatens the economic stability for both women and men who help provide care for their loved ones through difficult times. As a caregiver to 3 people, I can attest to the fact that it takes time to settle in and get in sync with the patient's rhythm. We therefore, suggest that the bill guarantee 16 weeks leave, as it would be better - especially if the patient is to transition to another caregiver. Many families live paycheck-to-paycheck and would never be able to provide care for their loved if they were paid only a small percentage of their wages or nothing at all. That's NOT who we are as a community!

We urge the committee to pass this important measure with the amendments suggested by the Working Families Coalition.

*"Compassion brings us to a stop, and for a moment we rise above ourselves."*

Mason Cooley







**ACOG**  
The American College of  
Obstetricians and Gynecologists

*American College of  
Obstetricians and Gynecologists  
District VIII, Hawai'i (Guam & American  
Samoa) Section*

TO: Senate Committee on Labor  
Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair

DATE: Tuesday, March 20, 2018, 2:45PM  
PLACE: Conference Room 229

FROM: Hawai'i Section, ACOG  
Dr. Greigh Hirata, MD, FACOG, Chair  
Dr. Chrystie Fujimoto, MD, FACOG, Vice-Chair  
Dr. Reni Soon, MD, MPH, FACOG, Legislative Chair  
Lauren Zirbel, Community and Government Relations

**Re: HB 2598\_HD2 – Relating to Family Leave**  
**Position: SUPPORT**

HI ACOG **supports HB2598\_HD2** and other legislative proposals that support Hawai'i's women and families. As a section of the Nation's leading group of physicians dedicated to improving health care for women, the Hawai'i Section of the American College of Obstetricians and Gynecologists (HI ACOG) represents more than 200 obstetrician-gynecologist physicians in our state.

#### **Paid family leave fosters healthier babies**

- As obstetricians, we all have had to do what we can to help new mothers and fathers piece together what leave they have to care for their newborns, and adequately recover from childbirth. All too often, mothers and fathers return to work sooner than is medically recommended because they cannot afford not to.
- The newborn period is a critical time of development and babies deserve the chance to bond with both parents if they can.
- Babies whose parents are able to take leave from work are more likely to receive regular medical checkups, vaccinations, and breastfeeding.<sup>1</sup>
- Time-off periods after childbirth reduce the risk of postpartum depression in new mothers.<sup>2</sup>

#### **HB 2598\_HD2 advances social and economic justice for the people of Hawai'i**

- Although some workers may have access to paid leave, it is usually a benefit for the highest-paid workers. 90% of workers have no access to paid family leave that includes caregiving.<sup>3</sup>
- Low-wage workers, hourly workers, and Native Hawaiians and Pacific Islanders are less likely to be covered under the existing Family and Medical Leave Act.<sup>4</sup>

<sup>1</sup> SB Kamerman. Parental Leave Policies: The Impact on Child Well-being. In P Mossand & M O'Brien, Eds., International Review of Leave Policies and Related Research 2006, 16-21. London, UK: Department of Trade and Industry, 2006. Retrieved from [http://www.leavenetwork.org/fileadmin/Leavenetwork/Annual\\_reviews/2006\\_annual\\_report.pdf](http://www.leavenetwork.org/fileadmin/Leavenetwork/Annual_reviews/2006_annual_report.pdf).

<sup>2</sup> P Chatterji & S Markowitz. Family Leave After Childbirth and the Health of New Mothers. National Bureau of Economic Research, 2008. Retrieved from <http://www.nber.org/papers/w14156>.

<sup>3</sup> Bureau of Labor Statistics, Table 33. Leave Benefits: Access, Private Industry Workers, National Compensation Survey, March 2017 (Department of Labor, 2017), available at <https://www.bls.gov/ncs/ebs/benefits/2011/ownership/private/table21a.pdf>.

<sup>4</sup> SJ Glynn, H Boushey, & P Berg. 2016. Who Gets Time Off? Predicting Access to Paid Leave and Workplace Flexibility. Washington, DC: Center for American Progress. <https://cdn.americanprogress.org/wp-content/uploads/2016/04/20131209/WhoGetsTimeOff-report-04.20.26.pdf>.

**With paid family leave women are more likely to stay in the workforce and less likely to rely on public assistance**

- National data consistently shows that access to parental leave makes women more likely to return to work after giving birth.<sup>5</sup>
- Women who are able to take paid leave are 93% more likely to be in the workforce 9-12 months after a child's birth, compared to women who take no leave.<sup>6</sup>
- After California became the first state to offer paid parental leave, research showed that one to three years later, mothers of small children were working more hours and at higher average incomes.<sup>7</sup>
- Women who receive paid leave after the birth of a child are 39% less likely to rely on public assistance and 40% less likely to rely on food stamps than women who do not take paid leave at all and return to work.<sup>6</sup>

HI ACOG is dedicated to the advancement of health for women and their families. It is high time that Hawai'i recognizes that we all benefit when families are allowed to care for each other. Workers in Hawai'i should be able to be with the people they love when they need them the most without risking their economic security. For these reasons, HI ACOG supports HB2598\_HD2.

Thank you for the opportunity to testify.

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<sup>5</sup> W Han et al. "Public Policies and Women's Employment After Childbearing," National Bureau of Economic Research Working Paper 14660 (2009).

<sup>6</sup> L Houser & TP Vartanian. Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses, and the Public, 2-12. Retrieved from <http://www.nationalpartnership.org/research-library/work-family/other/pay-matters.pdf>

<sup>7</sup> M Rossin-Slater, C Ruhm, & J Waldfogel. "The Effects of California's Paid Family Leave Program on Mothers' Leave-taking and Subsequent Labor Market Outcomes." *Journal of Policy Analysis and Management*, 2013, 32: 224-245.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

18 March 2018

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TO: Senator Tokuda, Chair  
Senator English, Vice Chair  
Members of the Committee on Labor

FROM: Cynthia J. Goto, Advocacy Consultant with PHOCUSED

SUBJECT: Testimony in Support of HB 2598 HD2: RELATING TO FAMILY LEAVE

Hearing: Tuesday, March 20, 2018  
2:45 PM  
Conference Room 229

Chair Tokuda, Vice Chair English, Members of the Committee on Labor,

Thank you for the opportunity to testify in support of HB 2598 HD2. I am Cynthia Goto, advocacy consultant for PHOCUSED.

PHOCUSED is a nonprofit, nonpartisan organization dedicated to increasing the safety for, visibility of, and investment in the children and adults in Hawaii who are marginalized, impoverished, and under-served. Our organization has been a leading voice in advocating for families since our formation, as the membership of PHOCUSED and our Board of Directors represent many of the major health and human service providers and peer organizations dedicated to serving the vulnerable populations across our state. As such, PHOCUSED is proud to support HB 2598, HD2.

This family leave insurance program would provide much needed support for employees who need to take time off to care for their family. Those who are low-income, in particular, are especially vulnerable to loss of wages or employment at a critical time in their families. This bill would provide paid leave from work to care for a new child or sick family member. The vulnerable populations for which PHOCUSED has worked to improve their well-being, fall

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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into this group that needs this resource. It allows workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

Our organization believes it is especially critical to include the progressive wage replacement to ensure that low-income workers are able to access the program. Those who earn less than half of the average weekly wage should receive 90% of their weekly earnings, while middle-income to higher-income workers should receive 75% or 50% of their weekly earnings, with a weekly cap.

Hawaii's vulnerable populations need family leave as a cost-effective way to keep employees in the work force and also take care of their families. Nearly half of families with children in Hawaii cannot afford basic needs. By 2020, about 40% of the workforce will be providing care for older parents. Paid family leave is needed now.

The majority of families in Hawaii are "working families" who cannot afford to take unpaid leave long enough to cover their care taking needs. Please help our ohana who are struggling to care for their loved ones in their time of need.

Thank you for the opportunity to submit testimony in support of HB 2598, HD2.

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.

**HB-2598-HD-2**

Submitted on: 3/18/2018 4:43:03 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susan J. Wurtzburg	Testifying for American Association of University Women, Hawaii	Support	No

Comments:

Family leave is a hallmark of all civilized societies. Please pass this bill for the sake of Hawaii families. It is much needed here.



# HAWAII APPLESEED

## CENTER FOR LAW & ECONOMIC JUSTICE

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

Supporting HB 2598 HD2 – Relating to Family Leave

Senate Committee on Labor

Scheduled for hearing at Tuesday, March 20, 2018, 2:45 PM, in Conference Room 229

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Dear Chair Tokuda, Vice Chair English, and members of the Committee:

Thank you for the opportunity to testify in SUPPORT of **HB 2598 HD2**, which would require the establishment of paid family leave for all workers by January 1, 2020.

Low-wage workers are the least likely to have access to paid family leave, while they need the financial support of paid leave the most. Especially with more and more of our kūpuna needing care, our state needs to create a safety net for families facing serious caregiving responsibilities.

In order for such a program to be truly effective in Hawai'i, we'd like to point out how important it is for a paid family leave program to follow a social insurance model. A prominent example of a social insurance approach is Social Security. Experts from both the left and the right agree that this is the best way to reduce costs to employers and overall administrative expenses, as well as prevent discrimination against those workers who are mostly likely to take leave.

Even the right-leaning American Enterprise Institute has testified in favor of a social insurance program over an employer mandate to purchase private family leave insurance or to self-insure<sup>1</sup>:

*[T]he idea that companies might be better off with an employer mandate instead of a social insurance program is hard to fathom. While social insurance broadly distributes the costs of providing leave, an employer mandate shifts all of the costs onto the firm, raising implicit labor costs. Firms can respond to this mandate in several ways: One, they may try to self-insure or purchase private insurance products; these will likely be costly and unavailable in many places. Two, they may reduce wages paid for workers that are hired. Three, firms may simply discriminate against people who are more likely to use this leave, particularly women. Since an employer mandate disproportionately raises the expected labor costs of those most likely to use the paid leave, mandating paid leave incentivizes firms to discriminate against women and others likely to take up the policy... A mandate imposes additional costs and distortions that could be much more expensive to the public than social insurance.*

We appreciate your consideration of this testimony.

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<sup>1</sup> <https://www.aei.org/wp-content/uploads/2017/10/DC-Testimony-Mathur-1.pdf>

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*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.*



To: The Honorable Jill N. Tokuda, Chair  
The Honorable J. Kalani English, Vice Chair  
Members of the Senate Committee on Labor

From: Jessica Yamauchi, Executive Director, Hawai'i Public Health Institute

Re: **STRONG SUPPORT for HB 2598 HD2, Relating to Family Leave**

Hrg: March 20, 2018 at 2:45 pm at Conference Room 229

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Thank you for the opportunity to testify in strong support of HB2598 HD2, Relating to Family Leave which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022. The measure would also establish the Paid Family Leave Implementation Board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on the implementation of paid family leave.

Created by the legislature in 2012, the Obesity Prevention Task Force is comprised of over 40 statewide organizations, and works to make recommendations to reshape Hawai'i's school, work, community, and health care environments, making healthier lifestyles obtainable for all Hawai'i residents. The Hawai'i Public Health Institute (HIPHI) convenes the Task Force and supports and promotes policy efforts to create a healthy Hawai'i.

HIPHI is in strong support of Hawaii enacting a Paid Family Leave law. 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 Hawaii 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. The lack of paid family leave exacerbates the gender wage gap for women and affects the economic stability for both women and men who are caregivers.

Paid time off for families to care for a newborn also helps to establish a foundation in breastfeeding. Infant feeding practices can greatly affect later growth and development and can be a protective factor against obesity.<sup>1</sup> The American Academy of Pediatrics and the World Health Organization recommend exclusive breastfeeding for the first six months of life and continued breastfeeding with the addition of other foods until a child is at least twelve months of age.<sup>2</sup>

"A robust body of evidence suggests that breastfeeding has multiple health benefits for infants, and that paid family leave (and other forms of maternity leave) significantly increases the length of time that

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<sup>1</sup> S. Arenz et al., *Breast-feeding and childhood obesity - a systematic review*, 28(10) International Journal of Obesity and Related Metabolic Disorders 1247-56 (2004).

<sup>2</sup> American Academy of Pediatrics, *AAP Reaffirms Breastfeeding Guidelines*, <https://www.aap.org/en-us/about-the-aap/aap-press-room/pages/AAP-Reaffirms-Breastfeeding-Guidelines.aspx> (last updated February 27, 2012).



mothers breastfeed. In a review and analysis of studies of breastfeeding in developed countries, the U.S. Agency for Healthcare Research and Quality found that full-term infants fed formula are at substantially greater risk than breastfed infants for acute ear infection, eczema, gastrointestinal infection, hospitalization for lower respiratory tract diseases in the first year of life, asthma, childhood obesity, Type 2 diabetes, leukemia, and sudden infant death syndrome (SIDS).”<sup>3</sup>

HB 2598 HD2 would help working families by requiring the Department of Labor and Industrial Relations to develop a paid family leave program that would provide:

- Universal coverage – all people and employers would participate in the system.
- Job Protection – if a person is not guaranteed a job upon completion of the leave, they likely will not take the leave.
- Progressive Wage Replacement – many families live paycheck to paycheck and would never be able to take time off if unpaid or if paid only a small percentage of their usual wages.

To further strengthen this measure, I respectfully request the Committee to amend the bill to add the following:

- A guarantee of sixteen (16) weeks of paid family leave.
- A broad definition of family, including a process by which a covered individual may designate a non-relative as family for purposes of caregiving.
- A requirement that the program operate as social insurance.

All families will benefit from a comprehensive Paid Family Leave Program. Thank you for the opportunity to provide testimony and recommendations.

Mahalo,



Jessica Yamauchi, MA  
Executive Director, HIPHI

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<sup>3</sup> [http://www.nccp.org/publications/pdf/text\\_1059.pdf](http://www.nccp.org/publications/pdf/text_1059.pdf)



March 20, 2018

To: Senator Jill Tokuda, Chair  
Senator J. Kalani English, Vice Chair and  
Members of the Committee on Labor

From: Jeanne Y. Ohta, Co-Chair

RE: HB 2598 HD1 Relating to Family Leave  
Hearing: Tuesday, March 20, 2018, 2:45 p.m., Room 229

POSITION: Support

The Hawai'i State Democratic Women's Caucus writes in support of HB 2598 HD1 Relating to Family Leave. Hawaii's workers and businesses need family leave insurance. A family leave insurance program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive. The Family and Medical Leave Act (FMLA) and Hawaii Family Leave Law (HFLL) leave out a significant portion of Hawaii's workforce, and neither law offers paid time off from work. This means that even those who technically qualify for unpaid family leave under state or federal law may not be able to afford to take adequate time off to meet their family's needs.

HSDWC believes that it is important for Hawaii's Paid Family Leave program to follow a social insurance model like Social Security that would cover all workers.

Family leave insurance promotes gender equity in the workplace and economic stability for women. Access to paid family leave makes mothers more likely to return to work after the birth of a child, makes women return to work more quickly, and makes women more likely to return to the same or higher wages than they were earning before they gave birth.

Paid family leave encourages women to participate in the workforce. With Hawaii's extremely low unemployment rate, businesses have a shortage of employees. Encouraging additional labor participation is good business and good for Hawaii's economy.

Women who take paid parental leave and return to work are 39% less likely to receive public assistance and 40% less likely to receive food stamps than women who do not take paid leave and return to work.

The availability of family leave insurance benefits leads to increased rates of breastfeeding, which has been shown to have long-term health benefits.

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.

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

# IBEW1260

‘A‘OHE HANA NUI KE ALU ‘IA

March 20, 2018

The Twenty-Ninth Legislature  
Hawaii State Senate  
Committee on Labor

## HB2598 - RELATING TO FAMILY LEAVE

Chair Tokuda, Vice Chair English, and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO (IBEW1260), represents more than 3500 members, has advocated for all workers in the State of Hawaii for over seventy-five years and respectfully offers the following testimony in **STRONG SUPPORT** of House Bill 2598 (HB2598).

The majority of Hawaii's working families are not afforded adequate amounts of paid leave causing financial hardship and increased dependency on public assistance during times of illness or caregiving. Therefore, it is incumbent upon the Legislature to ensure a path towards paid family leave which will serve to improve the lives of Hawaii's working families and IBEW1260 respectfully ask the Committee **SUPPORT HB2598**.

Mahalo for the opportunity to testify on this issue.

Respectfully,



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



## Hawaii Women's Coalition

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### COMMITTEE ON LABOR

Senator Jill N. Tokuda, Chair

Senator J. Kalani English, Vice Chair

DATE: Tuesday, March 20, 2018

TIME: 2:45 p.m.

PLACE: Conference Room 229

### **STRONG SUPPORT FOR HB 2598 which would create a Paid Family Leave Insurance program in the State of Hawaii**

Aloha Chair Tokuda, Vice Chair English and members,

The Coalition is so happy that this bill is moving forward. We have been in support of this initiative for many years, as it will improve the lives of women substantially.

We note that we are one of the few industrialized countries in the world that has no form of paid family leave insurance. According to a PEW Research Center, the U.S. has the distinction that, among 41 countries, we are the only one to be completely lacking in this regard.

This bill is needed now more than ever. In the absence of coherent policy with respect to America's families coming out of Washington, we must act to shore up the safety net in our state.

To repeat a few points:

- Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately **247,000 Hawaii workers** serve as the primary caregiver for a family member. Paid family leave would allow these workers to care for their family members without compromising economic stability.
- Providing paid time off for family caregiving strongly **promotes gender equity**. Women are often disproportionately impacted by the lack of paid leave, 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 affects the economic stability for both women and men who are caregivers.
- Hawaii's businesses would benefit from paid family leave. Paid family leave helps increase worker retention and loyalty, decreasing the **costs due to turnover**.

Please pass this bill along. Mahalo for the opportunity to testify,

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

Contact: [annsfreed@gmail.com](mailto:annsfreed@gmail.com) Phone: 808-623-5676



46-063 Emepela Pl. #U101 Kaneohe, HI 96744 · (808) 679-7454 · Kris Coffield · Co-founder/Executive Director

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**TESTIMONY FOR HOUSE BILL 2598, HOUSE DRAFT 2, RELATING TO FAMILY  
LEAVE**

**Senate Committee on Labor  
Hon. Jill N. Tokuda, Chair  
Hon. J. Kalani English, Vice Chair**

**Tuesday, March 20, 2018, 2:45 PM  
State Capitol, Conference Room 229**

Honorable Chair Tokuda and committee members:

I am Kris Coffield, representing IMUAlliance, a nonpartisan political advocacy organization that currently boasts over 400 members. On behalf of our members, we offer this testimony in strong support of House Bill 2598, HD 2, relating to family leave.

This measure would *finally* establish a family leave insurance program for Hawai'i's workers, with up to 16 weeks of paid time off to address family needs, including keiki and kupuna care. Once effectuated, family leave insurance should also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages (ideally, up to 90 percent) to make the benefit accessible to everyone.

**Hawaii's workers need this benefit.** In a 2017 public poll, 62 percent of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawai'i Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave. Moreover, Hawai'i has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers are caregivers for a family member.

**This program would help Hawaii's businesses.** Family leave insurance increases worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance

program, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely than large businesses to report any negative effects.

**Providing paid time off for family caregiving strongly promotes gender equity.**

Women are often disproportionately impacted by the lack of paid leave, 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 and adversely impacts the economic stability of both male and female caregivers.

**We know this can work in Hawai'i.** Top experts in the area of family leave have studied the usage, cost, and feasibility of implementing a family leave insurance program for the islands. These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their careers.

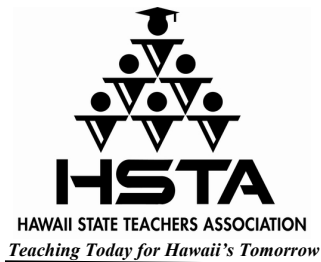
We need a program that is affordable and designed to be revenue-neutral. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for our state, which found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be roughly \$58—a little over one dollar per week to pay for invaluable financial security.

Finally, **we encourage you to continue specifying in this bill that family leave insurance shall be instituted no later than 2020, thus providing a timely benefit to Hawai'i's workforce.** Prior to implementing its own family leave insurance program, New York completed an analysis of how to do so in less than two years. There is no reason that Hawai'i should take more time than New York, given our significantly smaller population size.

It's a stark reality when employees face the dire dilemma of needing to care for newborn or sick children, spouses, or parents, while also having to work to sustain their family's income. We must offer a smart, affordable solution that empowers workers to balance performing their jobs with caring for their families.

Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance



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Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON  
LABOR

RE: HB 2598, HD 2 - RELATING TO FAMILY LEAVE

TUESDAY, MARCH 20, 2018

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Tokuda and Members of the Committee:

The Hawaii State Teachers Association **strongly supports and suggests amendments for HB 2598, HD 2**, relating to family leave.

Teachers are fortunate to be covered by a collective bargaining agreement that provides paid sick leave. Approximately 70-80 percent of the teacher workforce is female, though, and would greatly benefit from the enactment of a family leave program. According to the National Partnership for Women and Families, research shows that access to family leave improves child and maternal health. Providing family leave to teachers, then, will boost educator recruitment and retention by ensuring that teachers who have or are planning to have families won't be forced to return to work prematurely or at the expense of their children's well-being.

Over 40 percent of Hawaii's workforce, however, is not afforded the same benefit. As a result, workers are often required to choose between providing for their families by working while sick or enduring a loss of income to recuperate. Families also must decide whether or not to send sick children to school or stay home and lose a day of pay. For low-income families, this financial bind can mean the difference between providing food or going hungry. When children are forced to attend class while ill, moreover, contagions may spread to other students.

It's a chain reaction. Multiple families may be become infected. Entire classes may see their health and learning suffer. Providing paid sick leave that may be extended to family members will break the cycle of illness by allowing families to care for themselves and their children without loss of pay. As this measure moves forward,

we urge you to continue mandating establishment of a family leave program no later than 2020, so that working families do not have to wait any longer than necessary for the financial insurance needed to cover medical emergencies and kupuna care.

That said, we believe that this measure can be further strengthened by: 1) guaranteeing a minimum of sixteen weeks of paid family leave as part of the program, once implemented; 2) including a broad definition of “family” in the bill that allows non-relatives to be designated as family for purposes of caregiving; and 3) requiring that the newly established family leave program be operated as a social insurance program, in which small amounts of money are pooled from employees and employers into a fund workers may draw upon when they need leave time.

Sickness should not become a debt sentence. To better care for families living paycheck to paycheck, the Hawaii State Teachers Association asks your committee to **support** this bill.





**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  
The Senate  
Committee on Labor

Testimony by  
Hawaii Government Employees Association

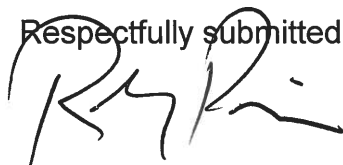
March 20, 2018

H.B. 2598, H.D. 2 – RELATING TO FAMILY LEAVE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 2598, H.D. 2 which requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, establishes a Paid Family Leave Implementation Task Force, mandates the Legislative Reference Bureau to conduct an actuarial analysis, and creates a paid family leave special fund.

It is commonly accepted knowledge that most workers in Hawaii will utilize family leave at some point in their careers to provide much needed care for a loved one. While we have historically supported the passage of a paid family leave program and recognize that it is long overdue, we must prioritize a thoughtful and systematic approach in the program's creation and implementation. No two state paid family leave models are identical and we must collectively consider existing structures and systems to best formulate a plan for Hawaii. The creation of a Paid Family Leave Implementation Task Force, as outlined in the H.D. 2 of H.B. 2598, offers a steadfast solution that ensures all of the stakeholders have a seat at the table to consider the intricacies and long term effects, while at the same time sets firm deadlines to guarantee that the paid family leave program is created no later than 2020.

Thank you for the opportunity to testify in strong support of H.B. 2598, H.D. 2.

Respectfully submitted,  
  
Randy Perreira  
Executive Director



March 20, 2018

To: Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair  
Senate Committee on Labor

From: Mandy Finlay, Director of Public Policy  
Hawaii Children's Action Network

Re: **HB 2598, HD2 – Relating to Family Leave – SUPPORT, with requested amendments**  
**Hawaii State Capitol, Room 229, March 20, 2018, 2:45 PM**

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**Hawaii Children's Action Network (HCAN) writes in support of, with requested amendments to, HB 2598, HD2, which would require the Department of Labor and Industrial Relations to establish a paid family leave program for all workers by 2020, would establish a paid family leave implementation board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on implementing paid family leave.**

Family leave insurance is a necessary and affordable benefit that promotes worker retention, economic stability for working families, gender equity in the workplace, and positive infant health outcomes. The program developed pursuant to this measure would provide paid family leave benefits to all workers, regardless of employer size, with job protection and a progressive wage replacement scale to enable low-wage workers to receive a higher percentage of their weekly earnings. **We would request, however, that the bill be amended to specify that any resulting program (1) must be structured as social insurance, and (2) must provide at least 16 weeks of paid leave.**

**Hawaii's workers need this benefit.** In a 2017 public poll, 62% of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for up to 12 weeks of unpaid leave for employers with 50 or more employees. The Hawaii Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers serve as the primary caregiver for a family member. Paid family leave would allow these workers to care for their family members without compromising economic stability.

**Hawaii's businesses would benefit from paid family leave.** Paid family leave helps increase worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely to report any negative effects.

**Providing paid time off for family caregiving strongly promotes gender equity.** Women are often disproportionately impacted by the lack of paid leave, 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 affects the economic stability for both women and men who are caregivers.

**Family leave insurance leads to increased financial stability and healthier babies.** Mothers who receive paid leave after the birth of a child are 39% less likely to rely on public assistance and 40% less likely to rely on food stamps than women who do not take paid leave at all and return to work, a trend that is present in men as well. Additionally, babies whose parents are able to take leave from work are more likely to breastfeed and receive regular medical checkups and vaccinations.

**We know this can work in Hawaii.** Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave social insurance program for Hawaii. These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii. The study found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58. That's only a little over one dollar per week. **These numbers reflect estimates using a social insurance model for providing paid family leave. A social insurance model spreads costs broadly and makes this benefit affordable and administratively feasible for employers.** A privatized model may be much more costly.

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. Providing paid family leave to all workers is an affordable solution to enable workers to take a small number of weeks out of the workforce without having to face the impossible choice between their family member's health and their income or jobs.

**For the above reasons, HCAN respectfully requests the Committee to pass this measure with our requested amendments.**

*HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education.*

**HB-2598-HD-2**

Submitted on: 3/19/2018 12:06:20 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Irish Barber	Testifying for IATSE Local 665	Support	No

Comments:

To: Hawaii State Senate Committee on Labor

Hearing Date/Time: Tuesday, March 20, 2018, 2:45PM  
Hawaii State Capitol, Rm. 229

***Position Statement Supporting House Bill 2598 HD2***

Thank you, Chair Tokuda, Vice Chair English, and members of the Committee, for the opportunity to testify in strong support of House Bill 2598 HD2, relating to family leave insurance.

House Bill 2598 HD2 would create a family leave program and an implementation board to oversee the development and implementation of the program. The workers and families in Hawaii are already taking this time of time off but it is unpaid. They face bankruptcy, credit card debt, and missing rent payments to do so, but because this type of leave is not optional, they are doing it. We live in a state with the highest cost of living, where it costs more to send your child to daycare than college, and missing 3 days of work can mean a family losing their food budget for the month. It is time for Hawaii to adopt a paid family leave program. House bill 2598 HD2 provides a sound, working template for the board and we'd like to suggest amendments to make the board's work more clear.

Hawaii has a robust study on implementing paid family leave through the federal Department of Labor. This study, which cost \$250,000 and was researched and written by the experts in this area, states that a social insurance model allows for universal coverage at a low cost<sup>1</sup>. Other hybrid models will be more administratively complex, require additional oversight and regulations, could be difficult to regulate and could increase the costs of the program. A social insurance model would still allow employers the option of "topping off" benefits and it would lower the costs of providing paid family leave. An employer would no longer be paying the full wages of an employee out of pocket while they were out. Instead, a pool of payroll taxes would subsidize a portion of the employee's wages. Additionally, an employer mandate is not favorable because employers are incentivized not to hire women or any person they perceive to be more likely to take leave<sup>2</sup>. For these reasons, we respectfully asks that the implementation board adopt a social insurance model for the program.

The original draft of HB 2598 HD2 included 16 weeks of leave. If we are a state that values 'ohana, let us put that value into a tangible benefit. We ask that the 16 weeks be re-inserted into the bill language.

Hawaii's workers and businesses need family leave insurance. A family leave insurance program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive. Thank you for the opportunity to testify in support of House Bill 2598 HD2.

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

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<sup>1</sup> Glynn, S. (2018) *Improving work life in Hawaii: Administration of paid family leave.*

[https://www.capitol.hawaii.gov/CommitteeFiles/senate/LBR/LBRfiles/SJ-Glynn\\_Administration-of-Paid-Family-Leave.pdf](https://www.capitol.hawaii.gov/CommitteeFiles/senate/LBR/LBRfiles/SJ-Glynn_Administration-of-Paid-Family-Leave.pdf)

<sup>2</sup> National Academy of Social Insurance (2017). *Paid family and medical leave programs: State pathways and design options*



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Senate Committee on Labor  
Tuesday, March 20, 2018  
2:45 p.m.  
Conference Room 229

To: Senator Jill Tokuda, Chair  
Re: H.B. No. 2598, H.D. 2, Relating to Family Leave

Dear Chair Tokuda, Vice-Chair English, and Members of the Committee,

My name is Kerry M. Komatsubara and I am the Advocacy Director for AARP Hawaii. AARP is a membership organization of people age fifty and over with about 150,000 members in Hawaii. AARP advocates for issues that matter to Hawaii families and we strive to serve as a reliable information source on issues critical to people over the age of fifty.

### **The Need for Paid Family Leave**

Family caregivers are the backbone of Hawaii's long term care system. They are the first line of assistance for most people, helping to make it possible for older adults and people with disabilities to remain at home, and out of costly, taxpayer-funded institutions like nursing homes.

Working family caregivers have varying leave needs. Whether they work full time or part time, they must often divert attention away from their jobs to make work-related adjustments to accommodate the needs of the person who needs care. The vast majority (74 percent) of family caregivers have worked at a paying job at some point during their caregiving experience, and most (58 percent) are currently employed either full-time or part-time, setting up a stressful juggling act between work, their caregiving role, and other family responsibilities. And when work requirements conflict with family obligations, some employed family caregivers have to make difficult decisions that can lead to lost wages and missed career opportunities.

The practical reality is that many workers in Hawaii, struggling to make ends meet from paycheck to paycheck, simply cannot afford to take unpaid leave. We support paid family leave in Hawaii because we believe family caregivers should not have to choose between taking care of mom or dad, or losing a paycheck, or even risk losing their job.

### **Arriving at a Workable Program**

AARP Hawaii supports the concept of paid family leave in Hawaii, and we believe that H.B. No. 2598, H.D. 2 is a sensible approach to "lay the groundwork to implement a paid family leave framework of laws and policies so that all employees can access leave benefits during times when they need to provide care for a family member." (Citing the last paragraph of Section 1 of H.B. No. 2598, H.D. 2.) We urge this Committee to take favorable action on this bill.

Thank you for the opportunity to present this testimony on H.B. No. 2598, H.D. 2.

AARP  
Real Possibilities

**HB-2598-HD-2**

Submitted on: 3/19/2018 2:32:58 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	Testifying for Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

Senate Committee on Labor  
Tuesday, March 20<sup>th</sup>, 2018  
2:45PM, Room 229

Attention: Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair

Re: Support for HB2598 HD2

The Labor Caucus of the Democratic Party of Hawai'i strongly supports passage of HB2598 Relating to Family Leave. Each bill proposes a plan to enact a statewide family leave program. Family leave is a critical way of ensuring the wellbeing of our communities. Most workers will be required, at some point in their life, to care for sick child or relative. They ought to have the freedom to do so.

The rising cost of living in Hawai'i has left many workers working longer hours for stagnant wages and just barely getting by. Typically, low wage jobs are bereft of benefits and would require workers struggling to get by to forgo pay in order to care for their family. It is unconscionable that we would tolerate this while businesses receive one of the largest tax breaks in history. No worker should ever have to choose between their family and their paycheck. For these reasons we urge passage of HB2598 HD1.





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**Barry Taniguchi**, KTA Superstores, *Advisor*  
**Derek Kurisu**, KTA Superstores, *Advisor*

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TO:  
Committee on Labor  
Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: Tuesday, March 20, 2018  
TIME: 2:45pm  
PLACE: Conference Room 229

RE: HB 2598 Relating to Family Leave

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 is frequently ranked a one of the worst, if not the worst state for doing business. Our member businesses take great pride in feeding Hawaii, but there are many factors that make it a challenge for these companies to continue to serve our communities.

We appreciate that this bill seeks to take a thoughtful approach to this issue and is designed to get input from various stakeholders. We hope that when considering the feasibility and cost of providing paid family leave to all workers in Hawaii the legislature will consider how this will impact the business environment in our state, and bear in mind that drastic increases to labor costs have the potential to eliminate jobs, raise prices on necessities like food, and force businesses to close.

The current makeup of the Family Leave Implementation Board described in this bill has three members from the business community and 15 other members. **If the legislature wants to ensure that the plans and recommendations made by the board are functional and possible for businesses to implement there must be more equal and fair representation of Hawaii's businesses on the board. We recommend that roughly half the board be made up of members of our business community since these are the people who will**

**ultimately be responsible for implementing, administering, managing, and paying for any family leave program.**

It is also important to keep in mind that many businesses here in Hawaii already offer substantial leave as a benefit to employees who have earned it. Our unemployment rates are historically low and the employment climate is very beneficial for employees. In order to hire and retain the best people, our businesses rely on their ability to offer benefits like leave to certain employees. **We ask that the bill be amended to specify that any future family leave regulations will include exemptions for businesses that already offer leave that meets or exceeds the requirements of the program.**

We would also like to reiterate the importance of doing a comprehensive cost benefit analysis before implementing a family leave program, one that takes into account not just the benefit to individual employees but the costs to our business community, our labor market, our economy, increased tax dollars to fund the program, and the added cost of living for Hawaii families when prices go up. We thank you for the opportunity to testify.

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Honolulu, HI 96819  
Phone: 808-833-1681 FAX: 839-4167  
Email: [info@gcawhawaii.org](mailto:info@gcawhawaii.org)  
Website: [www.gcawhawaii.org](http://www.gcawhawaii.org)



# GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

March 20, 2018

TO: HONORABLE JILL TOKUDA, CHAIR, HONORABLE VICE CHAIR J. KALANI ENGLISH, SENATE COMMITTEE ON LABOR

SUBJECT: **COMMENTS REGARDING H.B. 2598, HD2, RELATING TO FAMILY LEAVE.** Requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020. Authorizes DLIR to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature. Requires the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave. Establishes a Paid Family Leave Special Fund. Appropriates funds. (HB2598 HD2)

#### HEARING

DATE: Tuesday, March 20  
TIME: 2:46 PM  
PLACE: Capitol Room 229

Dear Chair Tokuda, Vice Chair English and Members of the Committee,

The General Contractors Association (GCA) is an organization comprised of over 500 general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

**H.B. 2598, HD2 proposes to require a public and privately funded Paid Family Leave Special Fund – which will be able to study the various issues surrounding Paid Family Leave before implementation or mandating such program.** The bill also proposes to allow the department to adopt rules that codify paid family leave for all workers in the state, while also allowing temporary rules (exempt from Chapter 91, HRS) to be implemented. GCA would prefer that any interim rules not be exempt from Chapter 91 – to allow public input to any interim administrative rules that may directly impact employers.

GCA remains concerned about some of the guidance of this measure and some of the questions that have come up include: If the fund is established how will they monitor the use of the fund? If everyone will have access to the fund once it's established could it lead to potential abuse? Also how will parties determine access to the funds when there is a shortfall? Some employers already provide sick leave and paid time off that can be

used for whatever purpose employees want however this proposal may mandate a paid family leave fund that all must contribute to? What happens if all employees want to access it since they are paying into it?

It is evident that businesses, even in Hawaii, are turning more and more to technology to replace the traditional employee, part of it may be due to the increased costs associated with employee mandated benefits which make doing business more expensive and less cost effective for the end consumer. GCA requests this Committee to take those instances into consideration before adding more employee mandated benefits.

While GCA understands the intent of this measure, any proposed mandate that could potentially impact the ability for a small business to operate and even hire employees should be studied very carefully before adoption. Particular attention should be considered of certain industries like the construction industry, who for the most part, provide their employees with a sufficient wage and benefits package including vacation, medical, health and welfare and other incentives for retention purposes. Pay for absences due to illness are required under the Temporary Disability Insurance law. Further many employers provide family and medical leave benefits over and above the statutory requirement as an additional benefit.

H.B. 2598, HD2 would allow both employers and employees to further study the matter and compare a medical or family leave program with other states and the federal government. Contractors that do business on federal projects are attempting to comply with the Federal mandates on family and medical leave and if anything request that the policies at the very minimum align with any federal mandates on this matter.

Thank you for the opportunity to share our comments.



## THE QUEEN'S HEALTH SYSTEMS

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To: The Honorable Jill N. Tokuda, Chair  
The Honorable J. Kalani English, Vice Chair  
Members, Committee on Labor  
*Paula Yoshioka*

From: Paula Yoshioka, Vice President, Government Relations and External Affairs, The  
Queen's Health Systems

Date: March 19, 2018

Hrg: Senate Committee on Labor Hearing; Tuesday, March 20, 2018 at 2:45PM in Room 229

Re: **Comments on HB 2598, HD2, Relating to Family Leave**

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My name is Paula Yoshioka and I am the Vice President of Government Relations and External Affairs at The Queen's Health Systems (Queen's). We would like to provide **comments** and express our concerns on HB 2598, HD2, Relating to Family Leave. This bill requires the Department of Labor and Industrial Relations (DLIR) to establish paid family leave for all workers by January 1, 2020. It also authorizes DLIR to adopt interim rules, establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature, and requires the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave. It also establishes a Paid Family Leave Special Fund and appropriates funds.

We acknowledge and appreciate the intent of this bill to provide paid family leave to all workers in the state. Queen's currently provides family leave to its employees administered in conjunction with paid time off that is in compliance with all federal and state laws. The legislature has proposed an ambitious and creative method of accomplishing a statewide paid family leave program and we commend the legislature for including business and health care community members on the Paid Family Leave Implementation Board. However, we are concerned with the current language in this bill due to its vague nature and the impossibility of calculating its impact on our system and our employees.

We do not believe it is prudent to establish a funding mechanism and implementation date requirements for a paid family leave program without first knowing the details for how the program is to be implemented. In particular, we are alarmed by the lack of information on the number of weeks employees will be allowed to take paid family leave, how and how much funding for the special fund will be collected from both employers and employees, how DLIR will manage this program, and how this program will impact employers' current leave programs, benefits packages, and collective bargaining agreements. Without knowing these details, we believe this bill creates a possibility for a massive burden on employers who may need to take on significant costs to contribute to the special fund, completely restructure benefits packages and collective bargaining agreements, as well as possibly administer significant portions of the leave program on behalf of the state if DLIR lacks the capacity. These changes could potentially have

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*

substantial negative impacts on our employees; however, the vague nature of this bill precludes us from calculating this impact accurately.

We ask that the legislature provide more clarity on process before creating a mandated paid family leave program. We also ask the legislature to consider exempting employers that already provide generous paid leave and family leave for their employees.

We appreciate the opportunity to provide comments on this measure. Thank you for your time and attention to this important issue.



**To:** Senator Jill N. Tokuda, Chair  
Senator J. Kalani English, Vice Chair  
Committee on Labor Members

**From:** Jozette Montalvo  
Hawaii Petroleum, Inc.-Human Resources Director

**RE: HB2598 Relating to the Family Leave**

**Date:** March 19, 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** **HB2598** for the following reasons.

While we understand the intent of this bill, this bill would result in tremendous cost to all organizations in the State of Hawaii which of course has a trickle effect. Hawaii is already one of the most expensive states to do business in. These additional costs would ultimately be passed onto consumers in the form of higher prices, further increasing the cost of residents to live in the State of Hawaii as well as the costs for tourist to visit our islands.

Employers already have laws in place to provide "leaves" to our employees and we comply with leave laws such as the Family Medical Leave Act, as well as the Hawaii Family Leave Law. An additional "leave" law is not necessary and will conflict with what is already in place.

Keeping our Convenience Stores fully staffed is already a challenging feat. Incentivizing employees to stay home with pay for family leave, will further hinder our ability to adequately staff our stores as employers are faced with unemployment at 2% or less.

For these very reasons, I kindly ask that you vote **NO** on **HB2598**.

*Mahalo!*

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**HB-2598-HD-2**

Submitted on: 3/17/2018 2:12:58 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Paul Hanada	Testifying for Aloha Shell Service	Oppose	No

Comments:

We are a small family run Shell service station and have been in business for 51 years. We also understand and appreciate the intent of this bill. However, any increase in the cost of doing business is ususally met with an increase in prices and or reduction of other costs including labor. There is a point where it becomes impossible to compete in a marketplace of large national corporations. A suggestion to help families, including my own, would be to offer a tax credit to encourage small businesses to voluntarily offer family leave. Please do not allow HB2598 HD2 to move forward. Thank you.

Paul Hanada





**Tyler Roukema, Chairman** – Outback Steakhouse      **Kelii Gouveia, Incoming Chair** – Hula Grill  
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To: Sen. Jill N Tokuda, Chair  
Sen. J Kalani English, Vice Chair  
Members of the Committee on Labor

From: Victor Lim, Legislative Chair

Subj: HB2598 HD2 Relating to Family Leave

Date: March 19, 2018

The Hawaii Restaurant Association represent 3,500 restaurants here in the State of Hawaii stand opposed to SB 2990 SD2 that will require the Department of Labor and Industrial Relations to adopt rules by 1/1 2020 that will establish Paid Family Leave for all workers.

We are very concerned with ongoing cost increases that are being mandated which bring into question the ability of many of our members to be able to survive.

We understand the intent of the bill to provide paid leave in the workplace and allowing people to balance work and family but most of our members just cannot absorb another mandated cost and administrative increase. This is evident by the many long time restaurants that continue to shutter their door as seen in our local news.

The restaurants that can afford to offer paid leave programs as a means for attracting and retaining workforce in today's low employment climate are already doing so.

The HRA asks that you please defer this bill. Thank you for this opportunity to share our views.

Aloha.





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Testimony to the Senate Committee on Labor  
Tuesday, March 20, 2018; 2:45 pm  
State Capitol, Room 229

Testimony on Opposition to HB 2598 HD2 – Relating to Family Leave

To: The Honorable Jill Tokuda, Chair  
The Honorable J. Kalani English, Vice-Chair  
Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 57 Hawaii credit unions, representing over 800,000 credit union members across the state.

We are in opposition to HB 2598 HD2. While we appreciate and understand the intent of this bill to allow for various types of paid leave in the workplace, we are concerned about the cost, management, and oversight of such a system. Many employers already offer generous paid leave packages to employees. Having a requirement in the law such as this may have an unintended, adverse effect on employees who already receive paid leave through their employer. This bill may also be a hardship upon small businesses.

In addition, this bill would establish the paid family leave special fund. We are concerned about the cost and management of such a fund. The contribution of money into this fund by employees may have an adverse effect on the cost of running a business in Hawaii.

Thank you for the opportunity to testify.



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**Testimony to the Senate Committee on Labor**  
**Tuesday, March 20, 2018**  
**2:45 pm**  
**State Capitol, Room 229**

**RE: H.B. 2598 HD2 – Relating to Family Leave**

Chair Tokuda, Vice-Chair English, & members of the Committee:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

We are in opposition to H.B. 2598 HD2 which would require the Department of Labor and Industrial Relations (DLIR) to establish paid family leave for all workers by January 1, 2020. This bill also authorizes DLIR to adopt interim rules, establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature, requires the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave, and establishes a Paid Family Leave Special Fund.

We appreciate and understand the intent of this bill to allow for paid leave in the workplace. Many employers already offer generous paid leave packages. Mandated sick leave may have an adverse impact upon current leave packages that exceed the minimum standard as illustrated in the bill. In addition, we do have concerns about a standard length of leave required, and the effect that could have on regular business operations.

The establishment of the Paid Family Leave Special Fund is also of concern. The oversight, implementation, and management of the fund is unclear. Perhaps a more efficient solution could be to use a fund that is already established and that employers already contribute to, such as the Temporary Disability Insurance fund.

We are opposed to H.B. 2598 HD2, and appreciate the opportunity to express our views on this matter.



**TESTIMONY OF TINA YAMAKI  
PRESIDENT  
RETAIL MERCHANTS OF HAWAII  
March 20, 2018**

**Re: HB 2598 HD2 Relating to Family Leave**

Good afternoon Chair Tokuda and members of the Senate Committee on Labor. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) is a statewide not-for-profit trade organization committed to supporting the retail industry and business in general in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

The Retail Merchants of Hawaii understands the intent of HB 2598 HD2 to require the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020, authorizes DLIR to adopt interim rules and establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature.

Employers are already required by law to provide Family Leave to employees that includes protected leave to care for family members who are ill. Mandating a paid family leave provision would be another added cost to doing business in Hawaii where people are always mentioning how high the cost of living is in the 50<sup>th</sup> State.

Mandates like paid family leave have additional costs beyond the compensation the employer has to pay to the individual taking family leave. The employer must also pay another employee to fill in for the absent individual as well as administrative costs to manage the program and must also factor that some people do abuse these types of paid leave programs.

Businesses are very sensitive to the finite price points customers are willing to pay. Retailers are sometimes not able to absorb all of the costs associated with these types of government mandates and have to pass the cost on by raising prices of goods and services. When that happens, some employee special benefits may no longer be offered (i.e. additional employee discounts); employees may be laid off or replaced with automation like self-check-out lines or in the worst cases businesses just close. In the last 2 years alone over 33 retailers have closed at least one if not all of their locations in Hawaii. Those are just the ones that have been reported in the news. Many shops just close quietly.

Retailers are already operating on a very thin margin. With the recent jump in minimum wages, goods, services and health care benefits, some businesses are struggling. Policy makers should be focusing on eliminating obstacles to business growth, job creation and economic stability and not adding additional costs that employers cannot afford.

We respectfully ask that you hold this measure. Mahalo again for this opportunity to testify.

**HB-2598-HD-2**

Submitted on: 3/16/2018 9:25:22 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lea Minton	Individual	Support	No

Comments:

**HB-2598-HD-2**

Submitted on: 3/19/2018 2:39:36 PM

Testimony for LBR on 3/20/2018 2:45:00 PM

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

Comments:

As the chair of the YWCA Advocacy Committee a member of its board, I am writing in strong **support of HB2598 HD2** to establish a paid family leave insurance policy.

Hawaii's workers and businesses need family leave insurance. A family leave insurance program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive.

I respectfully offer the following amendments to this bill:

- Changing Section 3 to: A minimum of **16 weeks**
- Requiring the paid family program be a social insurance model

The extraordinary demands placed on our workforce puts families in jeopardy. Many of Hawaii's workers are already taking unpaid time off to care for a child or family member. This benefit helps ensure that workers who need to take leave are able to remain economically secure during their leave and that they can return to their jobs. The actuarial measured both unpaid and paid leave-taking behavior, and found that the availability of family leave insurance would not dramatically increase the portion of Hawaii's workforce taking leave each year. Qualifying life events for which leave can be taken are rare occurrences in one's life.

We need to support all our working families in our state.

Thank you for your consideration.

Sincerely,

Jeannine Souki

# LATE TESTIMONY





**LATE**

Testimony to the  
Senate Committee on Labor

March 20, 2018

2:45 p.m.

State Capitol - Conference Room 229

RE: HB 2598, HD2, Relating to Family Leave

Aloha Chair Tokuda, Vice Chair English and members of the committee:

On behalf of the Society for Human Resource Management – Hawaii Chapter (“SHRM Hawaii”), we are writing in opposition to HB 2598, HD2, relating to family leave. This bill requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by 1/1/2020.

SHRM Hawaii has a longstanding position of support for initiatives that promote flexibility between employer and employee, rather than requirements that do not take into account unique circumstances. This measure also has the potential to create a conflicting patchwork of leave requirements.

Human resource management professionals are responsible for the alignment of employees and employers to achieve organizational goals. HR professionals seek to balance the interests of employers and employees with the understanding that the success of each is mutually dependent. SHRM Hawaii represents more than 800 human resource professionals in the State of Hawaii. We look forward to contributing positively to the development of sound public policy and continuing to serve as a resource to the legislature on matters related to labor and employment laws.

Mahalo for the opportunity to testify.





**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**LATE**

**HEARING BEFORE THE SENATE COMMITTEE ON LABOR  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229  
TUESDAY, MARCH 20, 2018 AT 2:45 P.M.**

To The Honorable Jill N. Tokuda, Chair;  
The Honorable J. Kalani English, Vice Chair; and  
Members of Committee on Labor;

**TESTIMONY IN OPPOSITION TO HB 2598 RELATING TO FAMILY LEAVE**

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce. I am writing share our opposition to HB 2598 in its current form.

We appreciate the legislature taking a different approach to family leave with this bill and that you are seeking to understand the impacts to businesses with a study and stakeholder input. We feel that the study should also include an economic analysis with input from businesses across Hawaii of various sizes (particularly small businesses). The study should be completed, reviewed, and shared with the business community, legislature, and public before any further action is taken. We ask that a deadline for the study to be completed and publicized be included in the bill and that the date for the Department of Labor and Industrial Relations to implement interim rules be removed as we do not feel this should be left to the DLIR unless there is broad stakeholder agreement on the interim rules after the study is completed.

While we agree with the intent, at this time, we have to oppose this bill because we think a study should be completed first and this is essentially giving the DLIR a blank slate to impose interim rules when the business community and the public do not know what the interim rules may be.

We appreciate the opportunity to testify on this matter and ask that this version of the bill be deferred.

Sincerely,

*Pamela Tumpap*

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

**LATE**



**Testimony to the Senate Committee on Labor & Public Employment**

**Senator Jill N. Tokuda, Chair & Senator J. Kalani English, Vice Chair**

**H.B.2598 HD2**

**Tuesday, March 20, 2018**

**Conference Room 229**

**POSITION: COMMENTS ONLY**

My name is Monica K. Toguchi Ryan, and I am a 3rd generation owner of a 71-year old family business, Highway Inn.

As an employer of 120 people in this state with a mix of full and part-time employees and one that offers healthcare, Workers' Compensation, TDI, Paid Time Off (PTO) and a 401(k)/Profit Sharing, we believe that we have a firm understanding of the practicalities managing a typical workforce in Hawai'i.

It is our experience that the intended beneficiaries of this bill would comprise a very small proportion of our staff. For example, we have one full time employee who is a caregiver and participates in all the benefit programs we have. We also have a part-time worker who is also a caregiver and receives benefits from her full-time work. In fact, at this time none of our 120 employees in the past year has had to give up the opportunity to work for more than a few days for caregiving. We allow for flexible work hours, and thus several part-time employees simply manage their hours accordingly when they have other matters to attend to. However, we fully anticipate that a critical situation may occur where an employee is required to care for a family member 24/7. By far the largest use of Paid Time Off (PTO) is for personal use such as vacation time, or managing the day-to-day needs of their children.

The biggest concern for businesses is that additional cost and administrative burden continues to mount disproportionately from the natural growth of their enterprise. Meaning small businesses owners like myself and my husband, are spending less and less time doing, growing and investing in our businesses, and more and more time on administrative tasks such as meticulously documenting employee concerns and misconduct, filling out TDI forms, responding to unemployment and worker compensation claims, and activities such as verifying Department of Human Services requests; and spending a significant amount of time ensuring federal and state compliance on the numerous regulations imposed upon us.

Thus, any state-funded insurance program should be focused on those qualifying employees likely to need benefits while in bona-fide caregiving activities, and available for people to contribute to when completing their Employees Withholding and Allowance and Status Certificate, otherwise known as the

HW-4. Any employers' contributions should be on a sliding scale related to the employee's suite of benefits (compensation, PTO, etc), age, hours worked during a year etc, but the majority of this will be paid for by the employee through a caregiver insurance tax deduction that can potentially decrease an employee's portion of state tax liabilities, and favors employees who need this type of financial assistance the most. Businesses should not be burdened by any additional administration as the channels for payments already exist via the HW-4 line items an employee selects upon hire, and processed via payroll deductions and taxes by the employer.

Any qualifying employer contribution will be related to the employees' contribution in a similar way to how other payroll benefits are managed (tenure, hours worked, presence of other benefits etc). For example, if an employee knows that his/her parents will require weeks of care, starts employment and is employed less than a month, how will benefits be determined? Thus, a long-term part-time employee with very few benefits and no other sources of income, could choose to contribute more into the insurance program, whereas a full-time employee with participation in benefits program would likely not be burdened at all. Businesses should only have to confirm benefit programs it already provides so that an employee can determine what level of contribution he/she is willing to make given their particular circumstances – thereby limiting systematic abuses that are likely to occur without appropriate checks and balances in place.

Thank you for the opportunity to provide comments.

**From:** J M <jessthemes00@hotmail.com>  
**Sent:** Monday, March 19, 2018 9:27 PM  
**To:** LBR Testimony  
**Subject:** Paid Family Leave Testimony

Dear Chair Tokuda, Vice Chair English, and Members of the Committee:

I would like to thank the Committee for the opportunity to testify in SUPPORT of H.B. 2598, which would create a family leave program and implementation board for our state.

Almost a year ago, my husband and I were overjoyed to welcome our baby girl, Quinn Recktenwald, to our family. She was a sweet, calming presence in a house filled with boys. She had a quiet, little soul that was content just to be held. Our lives were truly complete. Unfortunately, with this new joy comes the stress of affording to take 'maternity leave'. My employer doesn't have any 'maternity leave' and makes it extremely difficult to qualify for temporary disability, although we can exhaust our sick and vacation time while using the Family and Medical Leave Act. Unfortunately, my sick and vacation time ran out just 6 weeks after Quinn's birth and it was not financially possible for me to go without pay any longer. For these reasons, along with the pressures that many working moms feel, I had to return to work much sooner than a mother and child are ready to part.

Two short days after returning to work, Quinn became suddenly ill while at daycare. I rushed her to the hospital where she passed away shortly after arriving. Quinn was the victim of Idiopathic Pulmonary Hemorrhage, which comes on suddenly in infants who appear perfectly healthy, causing the lungs to spontaneously fill with blood. While I will never know if I could have saved Quinn, what I do know is that I spent Quinn's last day at work. I didn't get to hold her one last time. Kiss her little cheeks. Rock her to sleep. This will forever haunt me.

These are the things I can't change. What can be changed is the environment that shaped Quinn's last day. At just two months old, Quinn had barely experienced any of life and yet in the eyes of the State, she was old enough to be apart from her family. Without paid family leave, what choice do working families have? We must keep roofs over our head in one of the most expensive housing markets in the country, and keep food on the table in a state with one of the highest costs of living. Truly, what choice do we have?

The State of Hawaii is built on the spirit of Aloha and Ohana. Nothing would honor these values more than family leave for all employees and their families. You have the power to forever change the lives of families here in Hawaii and for generations to come.

Thank you,

Jessica McDonald

**LATE**

**HB-2598-HD-2**

Submitted on: 3/20/2018 8:28:20 AM

Testimony for LBR on 3/20/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Becky Gardner	Individual	Support	No

Comments:

I am writing in strong support of HB2598 HD2, which would establish a paid family leave program in Hawaii.

My name is Becky Gardner. I am a state employee; however, my testimony does not represent any views or position my office may or may not have. It is based upon my personal views alone.

Ironically, it has been during my employment with the state - from 2006 to the present – that I also found myself in another new role: primary caretaker for several members of my family. After graduating from law school in 2006, I was newly saddled with hefty student loan debt. Making an income was imperative. But so too was caring for my new family.

Had a paid family leave program been in place, I would have invoked these benefits at the birth of both my daughters; and for the treatment period immediately prior to the deaths of both my mother and grandmother.

As the primary caretaker and sole food source of my newborns, I felt it necessary to take at least 4 months off of work - roughly the maximum amount of family leave possible in Hawaii - because frankly, 4 months is barely the minimum necessary to recover from childbirth, let alone bond with and nurse a newborn baby. Some of my leave was taken under Temporary Disability Insurance (TDI), which to me is so backwards. Why should my “ability” to carry and birth a child be rendered a “disability” to get assistance?

When my mother was unexpectedly diagnosed with uterine cancer, her chemotherapy and other treatments became so prolonged, aggressive, unpredictable, and physically debilitating, I spent 6 months caring for her (while also caring for my one-year-old baby).

When my elderly grandmother passed, I was fortunate to actually already be on family leave for the birth of my 2nd daughter. I was therefore able to help my father provide round-the-clock care for grandmother, while he too was experiencing his own troubling health issues that needed assistance.

I share this, reluctant that I may represent the kind of “high-risk” that both employers and insurance pools would like to avoid. My ‘sandwich generation’ profile, as both mother, daughter, and granddaughter of vulnerable family members needing care may somehow serve as proof that an investment in me, as an employee, is a liability. A public charge, in a sense, if such a publicly mandated family leave insurance program were in place.

Nevertheless, a mix of biology, culture, and gender norm socialization requires me to balance my professional goals and income potential with my care-taking responsibilities. And this puts me in the company of half our population – other women making similar choices and compromises that relate to their families, careers and earnings.

Not only do I understand this privately, my employment options have actually become ‘choices’ that are imposed on me. I struggle with younger, single, male managers, who are still looked after by their own mothers, who refuse to grant me the flexibility I need to balance these demands. In interviewing for jobs after the birth of my first, I was told, verbatim - by a male interviewer - that the demands of a position I was particularly overqualified for would NOT be compatible with the responsibilities carried by a new mother.

Although this was clearly discrimination (and I missed my chance to sue the state), this male employer/interviewer was right. My care-taking responsibilities are always a consideration in the type of work I can do, how much time I can dedicate to it, and whether or not I can count on retaining such employment through these temporary periods when I am called to nurture.

In reviewing testimony on the proposed draft of this bill, I am both surprised and encouraged by the statistics cited and research that shows the benefits paid family leave has for employers and the workforce; how it promotes general productivity; and how it supports healthy economics on personal, familial, and community levels. The testimonies from the Hawaii State Commission on the Status of Women and from the Hawaii Children’s Action Network are especially compelling. DLIR cites a variety of successful models in other jurisdictions from which Hawaii can learn and shape to best meet our state’s needs.

Paid family leave is especially necessary here in Hawaii, where much of our cultural make-up expects women to be the caretakers in multi-generational homes. This is further exacerbated with our high cost-of-living and housing. Women are left with no other choice but to do it all – and get paid less for doing so.

Because we are so deep in this pattern where women take jobs that pay less, either by choice so they can have this flexibility, or because it is presumed and imposed on them, it does not seem like inequities in employment and pay will go away organically any time soon. Thus, it is necessary for government to step in and institute programs that will provide the security and stability we need.

It is also hugely beneficial for us to encourage more men – through law and policy - to share responsibility as caretakers. I sincerely believe our younger men would greatly appreciate the support so they can take on a greater role in fathering their young children as well. The research and lessons we've learned from other jurisdictions clearly indicate how healthy and beneficial this will be for everyone.

Please pass HB2598 HD2 - or a substantially similar draft, not only as a measure to achieve greater fairness and equity in the workplace, but because it improves the economics and vitality of our community.

Thank you,

Becky Gardner