

DAVID Y. IGE
GOVERNOR



LAUREL A. JOHNSTON
ACTING 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
HONOLULU, HAWAII 96810-0150

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
ACTING DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON LABOR
ON
SENATE BILL NO. 2990, PROPOSED S.D. 1, SENATE BILL NO. 2350 AND
SENATE BILL NO. 3047

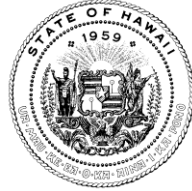
**February 6, 2018
3:30 p.m.
Room 229**

SENATE BILL NO. 2990, PROPOSED S.D. 1, RELATING TO FAMILY LEAVE
SENATE BILL NO. 2350, RELATING TO FAMILY LEAVE
SENATE BILL NO. 3047, RELATING TO FAMILY AND MEDICAL LEAVE

Senate Bill No. 2990, Proposed S.D. 1, Senate Bill No. 2350, and Senate Bill No. 3047 propose different approaches to implement a paid family leave system in the State.

Because of the impact to employers and employees in the State, the Department of Budget and Finance strongly recommends before any statutory measures are enacted that the State have a clear understanding of the issues and costs related to implementing a mandated paid leave system. For this reason, we urge the Legislature to have the Office of the Auditor or the Legislative Reference Bureau conduct a thorough study on the paid family leave system proposed in these bills to identify issues and costs.

Thank you for your consideration of our comments.



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

830 PUNCHBOWL STREET, ROOM 321

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Email: dlir.director@hawaii.gov

February 6, 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, February 6, 2018
Time: 3:30 p.m.
Place: Conference Room 229, State Capitol

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

RE: S.B. NO. 2350 RELATING TO FAMILY LEAVE

I. OVERVIEW OF PROPOSED LEGISLATION

This proposal seeks to amend chapter 398, Hawaii Revised Statutes (HRS), the Hawaii Family Leave Law (HFLL), by creating an insurance program which requires employees and employers to make contributions into an insurance fund to be used to provide employees and unemployed covered individuals with family leave insurance benefits in order to care for a family member.

The Department opposes the measure.

II. CURRENT LAW

Chapter 398, HRS, allows qualifying employees working for employers with 100 or more employees with four weeks of job-protected, unpaid leave to care for a sick family member or for the birth or adoption of a child. Except in certain situations, the law also requires an employer who provides sick leave to employees to permit an employee to choose to use up to ten days of accrued and available sick leave for family leave purposes. If, however, the sick leave is the employer's Temporary Disability Insurance (TDI) benefit, the employee can use only the amount of sick leave that is in excess of the minimum required by TDI.

III. COMMENTS ON THE SENATE BILL

DLIR has serious concerns with the administrative and fiscal impacts of this measure, especially as the appropriation amount is only \$300,000. In 2016, the Unemployment Insurance (UI) Division had approximately 140 staff administering the UI program, a fund that is based on employer contributions. DLIR estimates that it would require 200 additional staff to administer a family leave insurance program based on employer and employee contributions. Washington State has estimated that a staff of approximately 150 will be needed to administer a new family and medical leave law.

Staffing is needed for employer account registration; contribution intake and processing; cashiering, delinquency, collection, monitoring, and compliance; trust fund monitoring and compliance; claims intake and adjudication; payment processing and disbursement, complaint intake and processing; hearings; information technology support; and administrative staff.

Changing from the current employer-based TDI system to an individual employee based system will increase the number of account records by 1900%. Furthermore, HFLL currently allows taking leave in hourly increments, so in addition to the 1900% increase in accounts, those accounts would be multiplied making the program much more complicated to administer. Every time any of the 600,000 employees took an hour off of work for family leave purposes, the Department would receive a claim for benefits. In contrast, the UI program processes claims on a weekly and biweekly basis.

The proposal would necessitate creating an information technology system to administer the proposed program. 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.

The Department is prepared to undertake further estimates of resources should the measure continue through the legislative process.

DLIR has the following technical concerns:

- 398-4(c) currently includes a provision that protects the employee's TDI benefit by preserving the employee's sick leave for the employee to use during the employee's own illness. Striking this provision from the law is in conflict with 392-41(b)(2).
- 398-4(b) refers to 398-4(c) in regards to the substitution of paid leave, however the reference becomes irrelevant because the proposal will replace 398-4(c) with a provision unrelated to the substitution of paid leave.

- DLIR is unsure of the feasibility of covering self-employer persons. Furthermore, the self-employed person who opts into the program would not meet the definition of an employer or an employee so the costs, benefits, eligibility, and rights of the self-employed person who opts into the program are not clear.
- The Weekly Benefit Amount maximum of \$1000 is an arbitrary amount and possibly should be tied to something concrete like the state average weekly wage.
- There is no provision explaining how an employee's average weekly wage is determined.
- Using a contribution rate equal to TDI (0.5%) may be inaccurate and require an actuarial study due to differences in waiting period, number of eligible employees, and benefit amounts for example.

SB-2350

Submitted on: 2/5/2018 9:45:26 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Monk	Commission on the Status of Women	Support	No

Comments:

SB-2350

Submitted on: 2/5/2018 9:21:11 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Councilmember Yuki Lei Sugimura	Maui County Council	Support	No

Comments:

Establishes a family leave insurance program, which requires employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person. Appropriates funds to implement the program.



Board of Directors:

Senate Committee on Labor

Hawaii Alliance for Progressive Action Supports SB 2350

Gary L. Hooser
President

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

Andrea N. Brower
Ikaika M. Hussey
Co-Vice Presidents

On behalf the Hawai'i Alliance for Progressive Action (HAPA) I am submitting testimony in support of SB2350 to establish a Family Leave Insurance Program.

Kim Coco Iwamoto

HAPA is a statewide environmental, social and economic justice organization. HAPA engages over 10,000 local residents annually through our work.

Treasurer

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

Bart E. Dame
Secretary

Paul Achitoff

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 unpaid leave with up to 12 weeks 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.

Malia K. Chun

Laura Harrelson

Katie McMillan

Walter Ritte Jr.

Karen Shishido

Leslie Malu Shizue Miki

Kekaulike Prosper Tomich

Cade Watanabe

This bill, if enacted, would help Hawaii's businesses. Family leave insurance 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 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 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.

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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family's income. This bill provides a smart, affordable solution to enable workers to take a small number of weeks out of the workforce and not have to face the impossible choice between their family member's health and their income or jobs. For the above reasons, I respectfully request the Committee to pass this measure.

Mahalo for your consideration.

Best Regards,

Anne Frederick, Executive Director
Hawai'i Alliance for Progressive Action (HAPA)

SB-2350

Submitted on: 2/5/2018 2:27:32 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Paula Adams	Hawaii Afterschool Alliance	Support	No

Comments:



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 2350 – Relating to Family Leave
Senate Committee on Labor

Scheduled for hearing at Tuesday, February 6, 2018, 3:30 PM, in Conference Room 229

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

Thank you for the opportunity to testify in **STRONG SUPPORT** of **SB 2350**, which would establish a family leave insurance program that would require employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person.

The United States is the only developed nation that doesn't provide its workers with paid family leave. The federal Family and Medical Leave Act provides employees with unpaid leave, and more than 40 percent of private sector workers are not covered by it.

The Hawai'i Family Leave Law provides only four weeks of unpaid leave and also fails to cover around 40 percent of the state's workforce. Hawai'i's temporary disability insurance program offers partial wage replacement to workers recovering from illness or injury, including childbirth, but no job protection. It's also not available to non-biological parents or family caregivers.

Although some individual companies offer employees paid leave, this benefit is typically only available to high-income workers. Paid leave is generally unavailable to the low-wage workers who truly have the greatest need for it.

This lack of access to paid leave has profound consequences for our working families. In Hawai'i, 7 in 10 children live in households where both parents work, and over a quarter of children live in households headed by a single parent, leaving no full-time caregiver at home.

Meanwhile, the population of Hawai'i is both older than that of the U.S. as a whole, and is aging faster. More and more families are facing the challenges of caring for their kūpuna, and their numbers will continue to grow.

That is why it's crucial for Hawai'i to put into place a strong financial safety net for the hard-working families who desperately need support when faced with serious family caregiving responsibilities.

California, New Jersey, Rhode Island, and Washington have enacted paid family leave laws in their states. Their programs operate under a social insurance system, with employees and/or employers across the state paying into a dedicated insurance fund. By spreading both risks and resources across all workers, this system provides benefits at a low per-person cost. Social Security and Medicare are examples of national social insurance programs.

Creating a similar system in Hawai‘i would help keep workers, especially women, in the workforce, and at higher wages. It would also reduce reliance on public benefits.

Job-protected paid leave provides job continuity, so workers are less likely to leave the labor force altogether. National research has shown that mothers with access to family leave are more likely to return to work after the birth of a child and also more likely to return to the same or higher wages than they were earning before giving birth. In California, where the program has been in effect for over a decade, mothers of small children were found to be working more hours and at higher average incomes than similar women were before the law was passed.

Studies also show that women who receive paid leave after the birth of a child are 39 percent less likely to rely on public assistance and 40 percent less likely to rely on food stamps than women who do not take paid leave, and this trend is also present in men.

A recent statewide poll found that 94 percent of respondents had either a “very favorable” (60 percent) or “somewhat favorable (34 percent) perception of paid family leave. Over half (59 percent) said that they’d be willing to contribute a portion of their paycheck every month to a paid leave program, and the average amount that they said they’d be comfortable contributing is over \$41 per month. That is several times more than actuarial estimates of what such a system would cost in Hawai‘i, as well as the experience of the states that are already running paid family leave programs.

National experts who have comprehensively researched the demographics of Hawai‘i predict that most of the claims under a family leave program here would be for the care of our seniors. The passage of the kūpuna care law last session was a crucial first step in addressing the coming tsunami of elderly care needs, but that program only helps people who are able to continue working full time while facing caregiving responsibilities. Family leave insurance is an essential complement to that program, for those times when workers must take time away from work to care for themselves or their families.

We appreciate your consideration of this testimony.

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



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

TESTIMONY FOR SENATE BILL 2350, RELATING TO FAMILY LEAVE

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

Tuesday, February 6, 2018, 3:30 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 support of Senate Bill 2350, 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.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn or sick children, spouses, or parents, while also needing to work to sustain their family's income. We must offer a smart, affordable solution that enables workers to take a small number of weeks out of the workforce and not have to choose between caring for their families or saving their jobs.

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

Sincerely,
Kris Coffield
Executive Director
IMUAlliance

February 4, 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: **SB 2350 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Room 229, February 6, 2018, 3:30 PM

On behalf of the Hawaii Children's Action Network (HCAN), we write in strong support of SB 2350, which would establish a family leave social insurance program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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.

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 unpaid leave with up to 12 weeks 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 caregivers for a family member.

This program if enacted, would help Hawaii's businesses. Family leave insurance 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 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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, HCAN respectfully requests the Committee to pass this measure.

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



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 SB 2350, Relating to Paid Family Leave**

Hrg: February 6, 2018 at 3:30 pm at Conference Room 229

Thank you for the opportunity to testify in strong support of SB 2350, Relating to 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. Employees need subsidized time off of work to care for a newborn, newly adopted or foster child, or an ill family member. Paid Family leave guarantees that employees can cover basic costs of living, yet they can also provide care to family members when they need it most.

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.¹ 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.²

“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 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).”³

¹ 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).

² 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).

³ http://www.nccp.org/publications/pdf/text_1059.pdf

Five other states and Washington D.C. have passed family leave insurance laws. A 10 year study of the California law found increased employee loyalty, a healthier workforce, longer breastfeeding rates, lower rates of postpartum depression, more gender equity in child care and caregiving. Businesses report little negative consequences after the law was enacted and these laws are revenue neutral to the state.

Paid family leave can work in Hawaii. Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave 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 financial ruin. In addition, an actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii found that the annual cost to cover sixteen weeks of leave for an employee making \$48,000 would be around \$58.

Under federal and state law, the only leave allowed to families with a newborn child or unexpected caregiving responsibilities is unpaid leave. Hawai'i has no paid family leave, unless an employer willingly provides it.

Thank you for the opportunity to provide testimony and recommendations.

Mahalo,

A handwritten signature in cursive script that reads "Jessica Yamauchi".

Jessica Yamauchi, MA
Executive Director, HIPHI

SB-2350

Submitted on: 2/5/2018 10:18:36 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Yamauchi	Hawaii Children's Action Network	Support	No

Comments:

As a working mother and business owner, I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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 are caregivers for a family member.

This program if enacted, would help Hawaii's businesses. Family leave insurance 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 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.

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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.



49 South Hotel Street, Room 314 Honolulu HI 96813
www.lwv-hawaii.com 808.532.7448 voters@lwv-hawaii.com

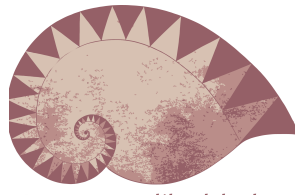
COMMITTEE ON LABOR
Tuesday, February 6, 2018, 3:30 pm, room 229

SB 2350 RELATING TO FAMILY LEAVE
Laurie Tomchak, League of Women Voters Legislative Committee
TESTIMONY

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

The League of Women Voters supports the intent of SB 2350. Providing families with a paid leave option such as family leave insurance benefits families by promoting bonding time with parents, longer breastfeeding, time to care for aging parents or sick relatives, and economic security. Virtually everyone will experience these life events at some point in their lives, yet many of Hawaii's workers do not have a single day of family leave, paid or unpaid.

The League notes your Committee is simultaneously hearing SB2900, Proposed SD1 Relating to Family Leave. We strongly prefer this measure, which would establish a special fund and appropriate money for the Department of Labor and Industrial Relations to conduct a full analysis of a proposed family Leave program. This is a sound approach to planning a fund that would be financially sound. Thank you for the opportunity to present testimony.



Pono Hawai'i Initiative

Josh Frost - President • Kau'i Pratt-Aquino - Secretary • Patrick Shea - Treasurer
Kristin Hamada • Nelson Ho • Summer Starr

Tuesday, February 6, 2018

Relating to Senate Bill 2350
Testifying in Support

Aloha, Chair Tokuda, Vice-Chair English, and Members of the Senate Committee on Labor,

The Pono Hawai'i Initiative (PHI) **supports SB2350 Relating to Family Leave**, which establishes a family leave insurance program that would require employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person. The bill also appropriates funds to implement the program.

The Pono Hawai'i Initiative (PHI) **supports HB2136 Relating to Family Leave**, which establishes a family leave insurance program, which requires employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person. The bill also appropriates funds to implement the program.

Currently, Hawai'i's workers do not have a right to this important benefit. The federal Family Medical Leave Act (FMLA), which exempts 40% of the state's workforce, provides for **unpaid** leave for 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.

There are very few workers in Hawai'i who can afford to take a single day off without pay, let alone 12 weeks.

And this bill would benefit employers, as well. 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 law, businesses reported family leave had either a positive or a neutral effect on their business. And 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 of families, regardless of who in the family are caregivers.

We know this can work in Hawai'i.

National experts in the area of family leave studied implementation of a family leave insurance program for Hawai'i. 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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 Hawai'i. 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.

It's a stark reality when employees face the dire consequences of having to choose between caring for newborn children, or sick children, spouses or parents, and working to sustain their family's income. This bill provides a smart and affordable solution that would enable workers to take limited time off without having to face the impossible choice between their family member's health and their income or jobs.

For all these reasons, we urge you to move this bill forward.

Mahalo for the opportunity,
Gary Hooser
Executive Director

Pono Hawai'i Initiative, an organization member of the Common Good Coalition



HMIHC

HAWAII MATERNAL & INFANT
HEALTH COLLABORATIVE

Committee: Labor

Testimony for SB2350

Tuesday February 6, 2018

Conference Room 229

Honorable Senator Jill N. Tokuda, Chair and Senator J. Kalani English, Vice Chair

The Hawaii Maternal and Infant Health Collaborative is in strong support of SB2350, Family Leave Insurance. We believe it will provide families with infants the support they need to get a strong start in life, helping to foster bonding and attachment, improve rates and duration of breastfeeding and contribute to family economic stability.

Hawaii Maternal and Infant Health Collaborative, founded in 2013, is a public private partnership committed to Improving Birth Outcomes and Reducing Infant Mortality. The Collaborative was developed in partnership with the Executive Office of Early Learning's Action Strategy with help from the Department of Health and National Governor's Association. The Action Strategy provides Hawaii with a roadmap for an integrated and comprehensive early childhood system, spanning preconception to the transition to Kindergarten. The Collaborative helps advance goals within the Action Strategy by focusing on ensuring that children have the best start in life by being welcomed and healthy. The Collaborative has completed a strategic plan and accompanying Logic Model, *The First 1,000 Days*, aimed at achieving the outcomes of 8% reduction in preterm births and 4% reduction in infant mortality. To date over 150 people across Hawaii have been involved in the Collaborative. These members include physicians and clinicians, public health planners and providers, insurance providers and health care administrators. The work is divided into three primary areas, preconception, pregnancy and delivery, and the first year of life and coordinated by a cross sector leadership team. Work is specific, outcome driven, informed by data and primarily accomplished in small work groups.

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.

- **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.
 - 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 for both mother and infant.

Q: Why does Hawaii need family leave insurance?

- Nearly half of Hawaii’s families with children cannot afford basic needs.
- The number of children with both parents working or their only parent working (nearly 66% of all children in the U.S.) has increased by 13% since the drafting of Family Medical Leave Act in 1993. In Hawaii, 7 in 10 children live in a household where both parents work¹, and over a quarter of children live in households headed by a single parent².
- Hawaii has more than 240,000 employees who also serve as primary caregivers to a family member.
- By 2020, about 40% of the workforce will be providing care for older parents.
- The Family and Medical Leave Act – the only federal law designed to help working people meet the dual demands of job and family – leaves out 40 percent of the workforce and guarantees only unpaid leave, which millions cannot afford to take. Women, as primary caregivers of infants, children and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave³.
- Women are the primary or co-breadwinners for almost two-thirds of families in the U.S., so a woman’s income lost during maternity leave has significant economic impact on her entire family.
- In Hawaii, the majority of families are “working families” who cannot afford to take unpaid leave long enough to cover their caretaking needs—paid family leave alleviates economic instability for struggling families by ensuring job security.

¹ U.S Census Bureau. 2016. DPO3: Selected Economic Characteristics, 2011-2015 American Community Survey Selected Population Tables. Washington, D.C: U.S. Census Bureau

² U.S Census Bureau. 2016. S0901: Selected Economic Characteristics, 2011-2015 American Community Survey Selected Population Tables. Washington, D.C: U.S. Census Bureau

³ Department of Labor. 2013. *Family and Medical Leave in 2012: Executive Summary*. <https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Executive-Summary.pdf>



Randy Perreira
President

HAWAII STATE AFL-CIO

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

Testimony by
Hawaii State AFL-CIO

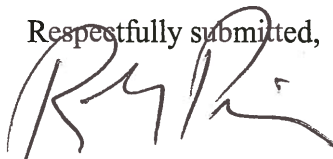
February 6, 2018

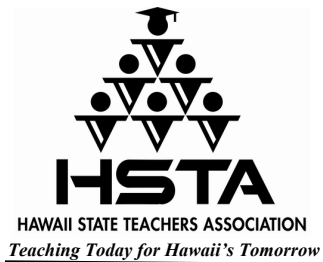
S.B. 2350 – RELATING TO
FAMILY LEAVE

The Hawaii State AFL-CIO supports the intent of S.B. 2350 which establishes a family leave insurance program, which requires employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person and appropriates funds to implement the program.

The Hawaii State AFL-CIO strongly believes all workers should have access to paid family leave. We believe it is embarrassing that the United States is one of only a few countries worldwide that does not provide some form of family leave to their workers and hope that one day Hawaii will move forward with its own family leave program. That being said, we also want to ensure the Hawaii family leave program is implemented to minimally impact workers – particularly low-income workers. Currently, the bill as drafted requires employees and employers to contribute to the insurance fund. We would feel more comfortable if the employer paid 100 percent into the fund or there were more safeguards in place for low-income workers. As we all know, Hawaii is one of the most expensive places to live and even a few dollars deducted out of a low-income workers paycheck would be significant to him or her.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

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Justin Hughey
Vice President
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Secretary-Treasurer
Wilbert Holck
Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON
LABOR

RE: SB 2350 - RELATING TO FAMILY LEAVE

TUESDAY, FEBRUARY 6, 2018

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Tokuda and Members of the Committee:

The Hawaii State Teachers Association **supports SB 2350**, relating to family leave.

Teachers are fortunate to be covered by a collective bargaining agreement that provides paid sick leave. Over 40 percent of Hawai'i'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, their children, and their kupuna without loss of pay. We also note that women are disproportionately harmed by the lack of family leave insurance. Inasmuch as women serve as primary caregivers for keiki and kupuna alike, the lack of paid family leave exacerbates the gender wage gap and the cycle of economic discrimination toward the women who comprise 59 percent of Hawai'i's workforce.

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.



ACOG
The American College of
Obstetricians and Gynecologists

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

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

DATE: Tuesday, February 6, 2018, 3:30PM
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: SB 2350 – Relating to Family Leave
Position: SUPPORT**

HI ACOG **supports SB 2350** and other legislative proposals that support Hawaii'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.¹
- Time-off periods after childbirth reduce the risk of postpartum depression in new mothers.²

SB 2350 advances social and economic justice for the people of Hawaii

- 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.³
- 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.⁴

¹ 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.

² 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>.

³ 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>.

⁴ 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.⁵
- 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.⁶
- 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.⁷
- 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.⁶

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 SB2350.

Thank you for the opportunity to testify.

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

⁶ 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>

⁷ 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.

IBEW1260

‘A‘OHE HANA NUI KE ALU ‘IA

February 6, 2018

The Twenty-Ninth Legislature
Hawaii State Senate
Committee on Labor

SB2350 - 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 Senate Bill 2350 (SB2350).

While many tech giants, such as Netflix, Google, and YouTube, have acknowledged the benefits of and embraced extended leave programs, the majority of Hawaii's working families are not afforded adequate amounts of paid leave to tend to health issues and caregiving. Many of these families, who are forced to accept unpaid leave find it difficult to make ends meet and require public assistance to survive.

Passage of SB2350 is not only pono, as studies have shown, paid family leave is good for families and business, resulting in improved turnover and morale, and positive or no noticeable effect on profits. Families afforded paid family leave enjoy better family relationships, reduced infant mortality rates, and are 40% less likely to receive public assistance. Additionally, children whose mothers used paid maternity leave are found to have higher education, IQ and income levels in adulthood, possibly addressing the U.S. education and income gap. For these reasons, IBEW1260 respectfully request the Committee **SUPPORT SB2350**.

Mahalo for the opportunity to testify on this issue.

Respectfully,



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



P.O. Box 4270 Kaneohe, HI 96744
www.breastfeedinghawaii.org

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

FROM: Patricia L. Bilyk, APRN, MPH, MSN, IBCLC
Breastfeeding Hawaii, Board Member
Maternal-Infant Clinical Nurse Specialist (retired)

RE: SB 2350 Family Leave

DATE/TIME/PLACE: Tuesday, February 6, 2018 3:30PM Rm 229

Good Morning Representative Johanson, Representative Holt and Members of the Committee on Labor and Public Employment:

I am Patricia Bilyk and I am representing Breastfeeding Hawaii. We are in **STRONG SUPPORT of SB 2350**.

Breastfeeding Hawaii is a 501c3, non profit organization whose mission is to protect, support and promote breastfeeding in the State of Hawaii. We further work to educate the public, businesses and health professionals on the long-term value of breastfeeding to society, management in support of breastfeeding and importance of longer contact time before returning to work for mothers and infants especially in the first year of life. (1)

Daily the members of Breastfeeding Hawaii work with families who must choose between caring for a new baby, a sick infant or older children needing medical procedures and receiving a paycheck. No one should be in this position!

Besides the monetary aspect of these situations, numerous studies on breastfeeding have shown the lifelong value of breastfeeding for infants and mothers which are aided by maternal and paternal paid leave insurance. (2) Time together to develop early relationships, especially in the first year of a child's life, can strengthen family bonds for a lifetime!



P.O. Box 4270 Kaneohe, HI 96744
www.breastfeedinghawaii.org

A Family Leave Insurance Program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive.

Thankfully SB 2350 addresses this heart wrenching dilemma for families by providing the key components of a Family Leave Insurance Program:

1. 16 weeks wage replacement
2. All employers/employees contribute
3. Covers life events such as new baby, sick infant
4. Broad definition of family
5. Job protection
6. Opt in for self employed individuals
7. Department of Labor administer
8. Education for employees and employers for the Program
9. Progressive wage replacement

Family Leave Insurance can work in Hawaii! In 2017 top experts in the area of family leave from the Institute for Women's Policy studied our individual state situation regarding usage, cost and feasibility. The study found Family Leave Insurance would be affordable and good for businesses especially increasing retention and loyalty. They also noted 5 other states and Washington D.C. presently have Family Leave Insurance laws. (3)

We strongly encourage you to be pono and do the right thing for Hawai'i's families this year by creating a Family Leave Insurance Program that is sensitive to the needs of all families!

Thank you.

References

- (1) Surgeon General's Call to Action on Breastfeeding 2011
- (2) Population Health and Paid Parental Leave: What the United States Can Learn from Two Decades of Research by Adam Burtle and Stephen Bezruchka Healthcare (Basel). 2016. June; 4 (2):30.
- (3) Institute For Women's Policy Research (2017)



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

February 6, 2018

S.B. 2350 – RELATING TO FAMILY LEAVE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the general intent of a paid family leave program as proposed in S.B. 2350, however we raise strong concerns over any legislation that creates an employee mandate to fund. As written, S.B. 2350 establishes a family leave insurance program which requires both employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits.

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. As drafted, we raise strong concerns over the provisions that would mandate employee funded contributions based on the employee's average weekly wage and allow an employer to deduct and withhold contributions up to half the cost of providing family leave insurance benefits from each employee. Many of our members live paycheck to paycheck and will not be able to absorb an additional monthly payment. Further, our members can utilize their negotiated vacation or sick leave days for family leave, so mandating an additional fee for government employees is not cost beneficial.

We understand the complexity in creating and maintaining a paid family leave program and want to be part of the solution. Therefore, we prefer the framework established in the proposed draft of S.B. 2990 that provides all stakeholders with a much needed voice in shaping the intricacies of paid family leave policy.

Thank you for the opportunity to testify on S.B. 2350, with a preference for the language contained in the proposed draft of S.B. 2990.

Respectfully submitted,

Randy Perreira
Executive Director



healthymothers
healthybabies
COALITION OF HAWAII

To: Committee on Labor
Hearing Date/Time: 2/6/2018 3:30pm
Place: Conference room 229 State Capitol

Re: TESTIMONY IN STRONG SUPPORT OF SB 2350 - RELATING TO FAMILY LEAVE INSURANCE

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

I would like to thank the Committee for the opportunity to testify in STRONG SUPPORT of SB 2350, which would enable workers to take paid time off during major life events. This would allow for 16 weeks' wage replacement, a flexible and non-burdensome combination of employee and employer contributions, while providing wage replacement insurance for the birth, adoption, or fostering of a child, including leave for caregiving for a family member's serious health condition(s), and/or a service member's qualifying exigency. With this program, as the bill is written, Hawaii could provide 16 weeks of leave to care for a new child or sick or injured family member, and it would only cost around \$58 per year (\$1.12 per week) to cover a worker making \$48,000 annually.

This policy is designed to provide a progressive wage replacement so that lower-income workers can access a higher percentage of income in order to afford to take leave. Additionally, there is an opt-in for the self-employed, and there are no eligibility carve-outs for the employer's industry or business size, so ALL Hawaii workers have access to a program with the most affordable premiums/contributions, and is transferable if people change jobs or industry.

Healthy Mothers Healthy Babies Coalition of Hawaii is in strong support of SB 2350 as nearly half of Hawaii's families with children already cannot afford basic needs. More than 240,000 employees in Hawaii serve as primary caregivers to a family member. And, the majority of families in Hawaii are "working families" who cannot afford to take unpaid leave long enough to cover their caretaking needs. Women as new mothers or primary family caregivers are disproportionately affected by the unavailability of paid family and medical leave. In fact, two-thirds of families in the U.S. depend on dual incomes, which may have an additional economic detriment to woman taking unpaid time leave to recover from childbirth and/or care for family.

After a thorough actuarial study conducted by top experts in the area of family leave; usage, cost and feasibility of the implementation of a family leave insurance program in Hawaii was calculated. These studies collectively found that family leave insurance is both necessary and cost-effective for workers to take adequate time off to care for their families without facing financial ruin.

The benefits to businesses include the retention of employees. Workers who have access to family leave benefits are more likely to return to work after their leave is over, and studies from the Institute for Women's Policy Research determined that the availability of paid leave will not drastically increase the amount of leave taken. The availability of this benefit, however, increases the likelihood that workers who already need this leave will return to their jobs.

We stand in STRONG SUPPORT of SB 2350 and respectfully urge your Committee to PASS this important bill. Thank you for the opportunity to provide testimony.

Sincerely,

Lisa Kimura
Executive Director

Healthy Mothers Healthy Babies Coalition of Hawaii | Phone: 808.737.5805
245 N. Kukui St. #102A, Honolulu, HI 96817 | WWW.HMHB-HAWAII.ORG

Helping Hawai'i Live Well

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

From: Trisha Kajimura, Executive Director

Re: TESTIMONY IN SUPPORT OF SB 2350 RELATING TO FAMILY LEAVE

Hearing: February 6, 2018, 3:30 am, CR 229

Thank you for allowing us to testify **in support of Senate Bill 2350**, which would enable workers to take paid time off during major life events. This would allow for 16 weeks' wage replacement, a flexible and non-burdensome combination of employee and employer contributions, while providing wage replacement insurance for the birth, adoption, or fostering of a child, including leave for caregiving for a family member's serious health condition(s), and/or a service member's qualifying exigency. With this program, as the bill is written, Hawaii could provide 16 weeks of leave to care for a new child or sick or injured family member, and it would only cost around \$58 per year (\$1.12 per week) to cover a worker making \$48,000 annually.

This policy is designed to provide a progressive wage replacement so that lower-income workers can access a higher percentage of income in order to afford to take leave. Additionally, there is an opt-in for the self-employed, and there are no eligibility carve-outs for the employer's industry or business size, so ALL Hawaii workers have access to a program with the most affordable premiums/contributions, and is transferable if people change jobs or industry.

Mental Health America of Hawaii is a 501(c)3 organization founded in Hawai'i 76 years ago, that serves the community by promoting mental health through advocacy, education and service. We are supporting this measure because maintaining healthy families in Hawaii means that family members occasionally have to take off from work to be caregivers. We believe that workers should be able to access this type of support so that they can have peace of mind while caring for their families and go back to work with less financial burden and work with higher productivity. High levels of stress threaten mental health and we need this policy to help family caregivers

Thank you for considering my **testimony in support of SB 2350**. Please contact me at trisha.kajimura@mentalhealthhawaii.org or (808)521-1846 if you have any questions.



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

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3 February 2018

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

FROM: Cynthia J. Goto, Advocacy Consultant with PHOCUSED

SUBJECT: Testimony in Support of SB 2350: RELATING TO FAMILY LEAVE

Hearing: Tuesday, February 6, 2018
3:30 pm
Conference Room 229

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

Thank you for the opportunity to testify in strong support of SB 2350. 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 strongly support SB 2350.

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 sixteen weeks of 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

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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well-being, fall 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 a 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 SB 2350.

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.



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS	DIRECTORS			MAILING ADDRESS
John Bickel, President	Guy Archer	Jan Lubin	Cameron Sato	PO. Box 23404
Alan Burdick, Vice President	Julieet Begley	Jenny Nomura	George Simson	Honolulu
Marsha Schweitzer, Treasurer	Gloria Borland	Stephen O'Harrow		Hawai'i 96823
Karin Gill, Secretary	Chuck Huxel	Doug Pyle		

February 5 , 2018

TO: Honorable Chairs Tokuda and Members of the Labor Committee

RE: SB 2350 Relating to Family Leave

Support for hearing on Feb 6

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support SB 2350 as it would establish a program for paid family leave insurance. Our organization had a high school intern a couple of years ago named Nick Chang. He spent the summer trying to find out what policy change would do the most to reduce the gap between the wages of men and women in Hawai'i. His answer was paid family leave insurance. This does not cover the other benefits of this program for children and other family members who need care. Although this program may ultimately have a small cost to workers and/or employers, it would have great benefits for families in need.

Thank you for your favorable consideration.

Sincerely,

John Bickel
President

SB-2350

Submitted on: 2/5/2018 11:28:49 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeannine		Support	Yes

Comments:

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

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

This year the Hawaii State Legislature has great opportunity to make a colossal impact on our economic future. Establishing a family leave insurance program in the state will help stabilize Hawaii's workers and businesses by helping to meet basic needs to allow workers to take time off during major life events and continue to receive a portion of their compensation and helps businesses retain key staff and remain competitive.

The extraordinary demands placed on our workforce puts families in jeopardy. Workers often must choose between providing care to a newborn or incapacitated parent and making a living. With Hawaii as the highest per capita aging population, paid family leave insurance is good investment for the economic stability for workers as they care for their parents or grandparents and also prepare for their own future retirement.

Family leave insurance will provide up to 16 weeks of paid leave for the care of a family member and ensure their job is protected when they return to work. Progressive wage replacement will scale wage replacement higher up to 90% for those earning less than half the average weekly wage and middle and higher income workers will see between 75% to 50% of their weekly earnings with a weekly cap.

Americans put in more hours than workers in other industrialized countries, and have less time off. What's more, the U.S. is the only developed nation that does not provide paid time away to care for family members. Women provide the majority of unpaid care at home, despite also being the primary breadwinner in 40 percent of families. Paid family leave is, first and foremost, about equal opportunity for all. And for that reason, lawmakers must recognize that paid family leave is a civil rights issue.

Once again, the state legislature has the opportunity to pass a strong paid-family-leave insurance policy this session. California is a good example of what we could bring to Hawaii. Their statewide paid-leave program provided support for new families, and led to 83 percent of workers using the program returning to their previous job. *The Washington Post* reported that 87 percent of California businesses had no increased

cost, and nine percent said the program saved money by reducing employee turnover and saving them from paying their own benefit costs. Similar programs have also been working in Rhode Island, New Jersey, Washington, and Washington D.C.

If Hawaii's future is dependent on a reliable and well trained workforce, we are destined for a longstanding failure if we continue to not support programs that benefit the well-being of our youngest vulnerable children, our kupuna and their families.

Thank you for your consideration.

Sincerely,

Jeannine Souki



Aloha Chair Tokuda, Vice Chair English, and members of the Senate Committee on Labor,

On behalf of the nearly 600 registered members of the Young Progressives Demanding Action – Hawai‘i, I would like to express **strong support** for SB2350, which establishes a family leave insurance program—something our working families desperately need to help through this period of economic hardship.

Family leave insurance is not only good for Hawai‘i’s workers, it’s good for our businesses too. A family leave insurance program would enable 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 Hawai‘i Family Leave Law (HFLL) leave out a significant portion of Hawai‘i’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.

The FMLA—the only federal law designed to help working people meet the dual demands of job and family—leaves out 40 percent of the workforce and guarantees only unpaid leave, which millions cannot afford to take. Women, as primary caregivers of infants, children and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave. Women are the primary or co-breadwinners for almost two-thirds of families in the U.S. This means that a woman’s income lost during maternity leave has a significant economic impact on her entire family.

In Hawai‘i, the majority of families are “working families” who cannot afford to take unpaid leave long enough to cover their caretaking needs—paid family leave alleviates economic instability for struggling families by ensuring job security. Nearly half of Hawai‘i’s families with children cannot afford basic needs. The number of children whose parents both work, or whose only parent works (nearly 66 percent of all children in the U.S.) has increased by 13 percent since the drafting of the FMLA in 1993. In Hawai‘i, 7 in 10 children live in a household where both parents work, and over a quarter of children

live in households headed by a single parent. Hawai‘i desperately needs a strong family leave insurance program to shore up the gaps in protection for working people.

We believe that a strong family leave insurance program should be based off of a social insurance model with no carve-outs (all employees should be covered, regardless of employer size); 16 weeks of paid leave from work to care for a new child (biological, adopted, or foster) or a sick/injured family member; a broad definition of “family” and a process to designate an individual as a family member for purposes of caregiving under this program.

A strong family leave insurance program should include job protection measures (workers won’t feel safe taking leave if they could lose their job because of it); progressive wage replacement for those who earn less than half of the average weekly wage to receive 90 percent of their weekly earnings, while middle-income to higher-income workers should receive 75 percent or 50 percent of their weekly earnings, with a weekly cap. This would ensure that low-income workers are able to access the program and that the fund remains sustainable.

A strong family leave insurance program would include a 50/50 employer/employee cost split. Employers should have the option of covering the entire insurance premium (estimated to be around \$5/month for the average worker under a social insurance model), but employers may require employees to contribute up to 50 percent of the premium cost.

We know that this can work in Hawai‘i. Top experts in the area of family leave insurance have studied usage, cost and feasibility of implementation of a family leave insurance program here. These studies, collectively, have 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.

Family leave insurance is affordable. An actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawai‘i found that the annual cost to cover 16 weeks of leave for a worker making \$48,000 would only be around \$58. That’s only a few dollars per paycheck.

Family leave insurance is good for businesses. Many of Hawai‘i’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 Hawai‘i’s workforce taking leave each year. Qualifying life events for which leave can be taken are rare occurrences in one’s life. Family leave insurance also contributes to increased worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over.

Many businesses wish they could offer this benefit to their employees on their own, like many of their big corporation competitors. A state-run insurance fund creates an affordable solution that helps small businesses retain employees without incurring the cost of replacing wages for employees out on leave. Five other states and Washington, D.C. have passed family leave insurance laws. In a 10-year study of the California family leave insurance program, businesses reported family leave had either a positive or a neutral effect on their business. Small businesses were less likely to report any negative effects.

Hawai‘i’s families need flexibility to care for our kūpuna. Hawai‘i has more than 240,000 working age adults who also serve as primary caregivers to a family member. By 2020, about 40 percent of the

workforce will be providing care for older parents.

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, allows women to 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. Women who take paid parental leave and return to work are 39 percent less likely to receive public assistance and 40 percent 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.

For these reasons, we hope this committee will pass SB2350 and continue to support the measure as it moves forward in the legislature.

Mahalo,

Will Caron
Social Justice Action Committee Chair
Young Progressives Demanding Action – Hawai‘i

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

DATE: Tuesday, February 6, 2018, 3:30PM
PLACE: Conference Room 229

FROM: Ronnie Texeira, MD OBGYN

Re: SB 2350 – Relating to Family Leave
Position: SUPPORT

HI ACOG **supports SB 2350** and other legislative proposals that support Hawaii'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.¹
- Time-off periods after childbirth reduce the risk of postpartum depression in new mothers.²

SB 2350 advances social and economic justice for the people of Hawaii

- 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.³
- 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.⁴

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.⁵
- 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.⁶

¹ 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. Retried from http://www.leavenetwork.org/fileadmin/Leavenetwork/Annual_reviews/2006_annual_report.pdf.

² 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>.

³ 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>.

⁴ 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>.

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

⁶ 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>

- 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.⁷
- 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.⁶

HI ACOG is dedicated to the advancement of health for women and their families. It is high time that Hawaii recognizes that we all benefit when families are allowed to care for each other. Workers in Hawaii 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 SB2350.

Thank you for the opportunity to testify.

⁷ 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.



February 6, 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: SB SB 2350 Relating to Family Leave
Hearing: Tuesday, February 6, 2018, 3:30 p.m., Room 229

POSITION: Strong Support

The Hawai'i State Democratic Women's Caucus writes in strong support of SB 2350 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.

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.



To: Hawaii State Senate Committee on Labor
Hearing Date/Time: Tuesday, Feb. 6, 2018, 3:30 p.m.
Place: Hawaii State Capitol, Rm. 229
Re: Testimony of Planned Parenthood Votes Northwest and Hawaii in Support of S.B. 2291

Dear Chair Tokuda and Members of the Committee,

Planned Parenthood Votes Northwest and Hawaii (“PPVNH”) writes in support of S.B. 2291, to raise the minimum wage to \$15 by 2020, eliminate the lower wage for tipped workers, and provide automatic cost-of-living increases.

The stagnant minimum wage contributes to unequal pay and economic insecurity, more so for women, in particular, for women of color. Two-thirds of minimum wage workers are women, and two-thirds of those are women of color. A higher minimum wage is strongly correlated with narrowing the wage gap: All the ten states with the lowest wage gaps in 2013 had minimum wages higher than the federal \$7.25 minimum, while only one of the ten states with the widest wage gaps had a higher minimum wage.

People earning the minimum wage often struggle to pay for housing, food, health care, and other basic amenities, and are significantly more likely to turn to public assistance programs. Full-time minimum wage workers earn less than the federal poverty level, meaning our public assistance programs are essentially subsidizing the low minimum wage. When people making minimum wage are the primary breadwinners of their families, they are unable to save for their families’ future and make it virtually impossible for them to climb out of poverty. The minimum wage is simply not a living wage for most women and families.

Please support S.B. 2291 and the well-being of Hawaii people.

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

Sincerely,
Laurie Temple Field
Hawaii Legislative Director



February 4, 2018

To: Hawaii State Senate Committee on Labor
Hearing Date/Time: Tuesday, February 6, 2018 (3:30 pm)
Place: Hawaii State Capitol, Rm. 229
Re: Testimony of American Association of University Women –
Hawaii in **support of S.B. 2350**, relating to family leave
insurance

Dear Senator Jill N. Tokuda (Chair), and Senator J. Kalani English (Vice Chair), and
Members of the Committee,

I am grateful for this opportunity to testify in **strong support of S.B. 2350** supporting a
family leave insurance program.

My testimony is on behalf of the 442 members of the American Association of University
Women (AAUW) in Hawai‘i, who list equal pay (in which family leave plays a strong
role) as an important current concern.

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

This proposal has actuarial data underpinning it, and if implemented as suggested, has
great potential to positively change the position of caregivers in this state, with minimal
financial investment.

Please, legislators, look to the states and nations beyond Hawaii with similar family leave
policies, and note the better health and financial wellbeing of families and businesses.
Health, social science, and economic data demonstrate that family leave is an important
benefit in a healthy society, and please pass S.B. 2350.

Thank you for the opportunity to testify.

Sincerely
Susan J. Wurtzburg, Ph.D.
Policy Chair

Schools Our
Keiki Deserve

808-351-0980
808-627-0193

1488 Glen Ave.
Wahiawā

SB 2350 – Relating to Family Leave – STRONG SUPPORT

Dear Chair Tokuda and Members of the Committee:

I strongly support SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

Hawaii's workers need this benefit, and this program, if enacted, would also help Hawaii's businesses. Family leave insurance 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.

Providing paid time off for family caregiving also 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.

Let's spend our policy-making energy trying to figure out how to serve working families in Hawaii - and pursuing the *common good*.

Sincerely,
Dr. Amy Perruso
Executive Director

SB-2350

Submitted on: 2/4/2018 8:30:17 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stacey Moniz	Hawaii State Coalition Against Domestic Violence	Support	No

Comments:

On behalf of the Hawaii State Coalition Against Domestic Violence (HSCADV) and our 22 member organizations across the state, I am submitting testimony in SUPPORT of SB2350 which will create Family Leave Insurance. Thank you for your support.

eliminating racism
empowering women

ywca

O'ahu

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

Kokokahi YWCA
45-035 Kāne'ohe Bay Drive
Kāne'ohe, Hawai'i 96744
808.247.2124

Laniākea YWCA
1040 Richards Street
Honolulu, Hawai'i 96813
808.538.7061

ywcaoahu.org

Hawaii State Senate Committee on Labor
Hearing Date/Time: Tuesday, February 6, 2018, 3:30PM
Hawaii State Capitol, Rm. 229

Position Statement Supporting Senate Bill 2350

Thank you, Chair Tokuda, Vice Chair English, and members of the committee,

Thank you for the opportunity to testify in **strong support of Senate Bill 2350**, relating to family leave. February 5 is the anniversary of passing the Family Medical Leave Act twenty-five years ago. That was the first significant federal legislation that gave workers the ability to take time off to care for a loved one. Hawaii now has the chance to pass stronger legislation that covers more workers, allows for adequate time off, and fits our definition of family.

There has never been a better time to enact a paid family leave program. Earlier this year, a study on family leave in Hawaii, funded by the federal Department of Labor, was completed. We know how a program would work, how much it will cost, and how many people it will cover. Additionally, it also takes into consideration our high cost of living and included modeling on a progressive payout, allowing low-wage workers to receive a higher percentage of their earnings. We also know from national studies that family leave is good for business. Businesses are more likely to retain their skilled and trained employees if the employee is receiving partial wage repayments while they are out.

If we are a state that cares about our families, our workers, and economy, it is time to pass a paid family leave program. We support Senate Bill 2350 and its structure and policy components for a family leave insurance program including: taking up to 16 weeks of leave, progressive payout, social insurance model, and a broad definition of family.

Thank you for the opportunity to testify on Senate Bill 2350.

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

YWCA IS ON A MISSION



Hawaii Women's Coalition

COMMITTEE ON LABOR

Senator Jill N. Tokuda, Chair

Senator J. Kalani English, Vice Chair

DATE: Tuesday, February 6, 2018

TIME: 3:30 p.m.

PLACE: Conference Room 229

STRONG SUPPORT FOR SB2350 establishing a family leave insurance to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

Aloha Chair Tokuda, Vice Chair English and members,

The Coalition has supported some form of paid family leave insurance for at least four years now, since we recognize that the role of caregiver still falls primarily on women. Caregiving too often places women in the untenable position of having to choose between their job and their sick family member(s) whether they be sick children or aging parents or between caring for a newborn or their job. Since women make on average 80 cents on the dollar compared to men in Hawaii this places an even larger hardship on them.

And although some business lobbyists tend to cry poverty in regards to this program, it would in fact help Hawaii's businesses. Family leave insurance 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 family leave had either a positive or a neutral effect on their business. Small businesses were **less** likely to report any negative effects.

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.**

Stated simply, providing paid time off for family caregiving strongly promotes gender equity, a goal greatly desired by the Coalition. Please pass this common sense bill out of committee.

Mahalo for the opportunity to testify,

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

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

SB-2350

Submitted on: 2/5/2018 1:09:15 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:



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February 6, 2018

Senate Committee on Labor

Hearing Date: Tuesday, February 6, 2018 at 3:30 a.m., Conference Room 229

Subject: Comments to SB 2350, Relating to Family Leave

Dear Chair Tokuda and Committee Members:

The American Council of Engineering Companies of Hawaii (ACECH) represents more than 65 engineering consulting firms with over 1,500 employees throughout Hawaii. ACECH member firms work directly for government agencies on a variety of building and infrastructure projects.

The purpose of SB 2350 is to ensure that employees in Hawaii are provided of family leave insurance benefits during times when they need to provide care for their families.

All of our member firms already paid time off (PTO) to their full-time staff and most extend paid leave benefit to their half-time staff, as part of a competitive compensation package.

The proposed insurance program would create significantly more administrative burden and overhead costs for employers to fulfill all the program's requirements.

Unlike many other employers, most of our member firms cannot pass these higher costs onto their customers because most of their work comes from State and County agencies that put a cap on our rates and historically do not recognize legislatively-imposed employment cost increases as a valid reason to increase our billing rates.

We also note that employers are already required by State law to pay for temporary disability insurance for workers with more than 14 weeks of Hawai'i employment.

For these reasons, we request to be included as a stakeholder in any discussion on this issue as it moves through the legislative and administrative process.

Respectfully submitted,
AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII



**Testimony to the Senate Committee on Labor
Tuesday, February 6, 2018 at 3:30 P.M.
Conference Room 229, State Capitol**

RE: SENATE BILL 2350 RELATING TO FAMILY LEAVE

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

The Chamber of Commerce Hawaii ("The Chamber") **opposes** SB 2350, which establishes a family leave insurance program to be housed within DLIR, requiring employees and employers to make contributions into a trust fund to be used to provide employees with family leave insurance benefits to care for a designated person.

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

We appreciate and understand the intent of this bill to allow for paid leave in the workplace and agree that citizens need to balance the needs of work and family. However, we do not agree, and do not believe, that this legislation is a reasonable, manageable, or an affordable approach in addressing those needs, either from an employee or employer perspective, as well as from a one-size-fits-all approach.

As the business voice, we have significant concerns regarding the impacts that this measure will have on the business community in Hawaii. As many national rankings have shown, the cost of doing and running a business is extremely high. With every additional workplace mandate, the competitive distance is increased, which in turn, affects the ability for employers to sustain and create jobs, as well as provide benefits.

We ask that the Committee consider the following points and implications on employers.

The bill changes the amount of family leave from 4 weeks to **16 weeks** for every twelve-month period. This quadruples the time an employer is required to let an employee leave work. Technically, an employee could take approximately **4 months**, not 4 weeks, out of the year.

This creates a huge burden on an employer to find coverage for the absent employee for this extended time period. Productivity and morale will be impacted as other employees will need to undertake responsibilities beyond their job duties.



Chamber of Commerce HAWAII

The Voice of Business

Furthermore, the bill implies that employees will continue to accrue benefits, particularly paid sick leave, vacation and additional benefits provided. The ability to accrue these benefits while on leave will create an additional cost for employers while causing uncertainty around the total length of leave for the employee. Also, employers will need to continue to pay for other mandates such as taxes per employee while on leave. This is unsustainable especially for small businesses.

Second is the expanded definition of what qualifies under the leave provision. The provision of providing benefits for a designated person expands the pool beyond family and increases the likelihood of leave being taken.

Also, how will this work concurrently with the Family and Medical Leave Act?

The bill doesn't provide clarity on the ultimate cost to employers. Also, it doesn't address whether it requires a cap on lifetime benefits which could potentially lead to abuse of the program. There's no check and balances either as it relates to ensuring that the leave is justified.

Similar to other government programs, the paid leave program will create burdensome administrative or reporting requirements for employers even if it's an employer-employee funded program.

Additionally, mandated paid leave imposed by this law will destroy the tax incentive currently available to employers who voluntarily provide paid leave under the new tax reform legislation.

Congress is considering several federal mandates that should be considered before adopting a state mandate. At a minimum, a study of the impact a state law will have on the cost to state government to administer a law that conflicts with federal requirements should be done before imposing this burden on taxpayers, employees and their employers.

Many businesses offer paid leave programs as a means for attracting and retaining their workforce especially with our low unemployment rate. Also, employers should be able to decide whether options such as sick time or vacation, should be exhausted prior to using paid family leave.

We need policies that will help Hawaii bring new businesses and support those in existence by encouraging businesses to adopt their own innovative paid leave programs rather than placing another mandate on employers.

The Chamber respectfully asks that this bill be deferred. Thank you for the opportunity to testify.



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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, February 6, 2018
TIME: 3:30pm
PLACE: Conference Room 229

RE: SB 2350 Relating to Family Leave

Position: Oppose

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.

Expecting the employer of a family member to shoulder a substantial part of the financial burden of ensuring a person has care when sick is not logical or economically feasible. Many Hawaii employers already offer generous amounts of paid leave for many positions, and the employers who have earned this benefit are of course free to use that leave for whatever purpose they need to. However, for many jobs in Hawaii paid leave is not offered simply because it is not financially possible to provide this expensive benefit to all employees.

Forcing employers to make 50% of the financial contribution to the fund and also cover the large added administrative needs that this bill will create will substantially increase labor costs in our state. There are only a few ways that businesses can cope with such a big increase to the cost of doing business in Hawaii: cut jobs, raise prices on food and other products, or simply close. None of these outcomes are beneficial to Hawaii workers or to Hawaii families.

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

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

SUBJECT: **COMMENTS AND CONCERNS REGARDING S.B. 2350 RELATING TO FAMILY LEAVE.** Establishes a family leave insurance program, which requires employees and employers to make contributions into an insurance fund to be used to provide employees with family leave insurance benefits in order to care for a designated person. Appropriates funds to implement the program.

HEARING

DATE: February 6, 2018
TIME: 3:30 PM
PLACE: Conference Room 229

Dear Chair Tokuda, Vice Chair English and Committee Members,

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.

S.B. 2350 proposes, among other things, to establish a system of family leave insurance in the State for both public and private employees. While GCA appreciates the intent of this bill it has concerns about the implementation of such mandate and how it may affect businesses.

It is evident that businesses, even in Hawaii, are turning more and more to technology to replace the traditional employee, partly due to the increased costs associated with employee mandated benefits which make doing business more expensive and more burdensome to the end consumer. GCA requests this Committee to take those instances into consideration before adding more employee mandated benefits to the law.

While GCA understands the intent of this measure, it proposes a mandate that could potentially impact the ability for a small business to operate and even hire employees. This bill may not be necessary for 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. The proposed language in S.B. 2350 creates a

mandate for employers to provide family leave benefits that could have a negative impact on businesses statewide and force some to let go of employees because of the inability to provide such a benefit.

GCA would prefer the Committee consider S.B. 2990, Proposed HD1 over adoption of this measure because it 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.

Please defer this measure and pass S.B. 2990, Proposed HD1 in its place. Thank you for the opportunity to share our comments.



Before the Senate Committee on Labor

DATE: February 6, 2018

TIME: 3:30 p.m.

PLACE: Conference Room 229

Re: SB 2350 Relating to Family Leave

Testimony of Melissa Pavlicek for NFIB Hawaii

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

We are testifying on behalf of the National Federation of Independent Business (NFIB) in opposition to Senate Bill 2350, which establishes a family leave insurance program paid for by employers and employees and greatly extends Hawaii family leave requirements.

NFIB Hawaii opposes measures which do not adequately allow for flexibility and take into account the circumstances of individual small businesses. Please defer this bill.

The National Federation of Independent Business is the largest advocacy organization representing small and independent businesses in Washington, D.C., and all 50 state capitals. In Hawaii, NFIB represents more than 750 members. NFIB's purpose is to impact public policy at the state and federal level and be a key business resource for small and independent business in America. NFIB also provides timely information designed to help small businesses succeed.



Testimony to the
Senate Committee on Labor
February 6, 2018
3:30 pm
State Capitol - Conference Room 229

RE: SB 2350 Relating to Family Leave

Aloha Chair Tokuda, Vice 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 SB 2350, relating to family leave. SHRM Hawaii has a long-standing position in favor of workplace flexibility initiatives. This bill greatly expands Hawaii family leave and requires an employer- and employee-contribution leave plan to be established. We believe that proposals to establish paid leave requirements do not promote flexibility and that they have the potential to conflict with federal, state and local requirements and laws.

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.



SB-2350

Submitted on: 2/3/2018 11:31:53 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shay Chan Hodges		Support	No

Comments:

Aloha:

My name is Shay Chan Hodges and this is my fourth year submitting testimony in support of Paid Family Leave – also known as Family Leave Insurance -- in Hawaii.

Though my testimony is similar to prior years, there are some differences:

This year, we have data showing how little a Family Leave Insurance program will cost. In a U.S. Department of Labor–funded study, the Institute for Women’s Policy Research conducted a cost-benefit analysis, detailing four different models for providing paid leave for caregiving and medical needs in Hawaii. The most far-reaching model would cost from \$30–\$60 per employee per year, and would pay for both employee compensation and \$1.7 million in administrative expenses. This option would provide 16 weeks of Family Leave Insurance, with compensation ranging from 50 percent of earnings for higher-wage workers to 90 percent of earnings for minimum-wage employees.

In discussing the results of this study with various Hawaii residents, both parents and employers have said that they’d be willing to take responsibility for the full \$60 per year per person for a Family Leave Insurance program because it is such a low price to pay for such an important benefit.

I recently interviewed both Rep. Beth Fukumoto and Sen. Jill Tokuda for an on-line article in *Slate* about the study and the importance of passing Family Leave Insurance this session. Sen. Tokuda emphasized that, “this could be the year we match data with

policy. But we need to muster the political will to do the right thing.” She added that Hawaii residents continue to ask how “government is going to ease my burden. All of us are realizing that there’s so much more that we could lose.”

Rep. Fukumoto echoed her sentiments, noting that “while some millennials are waiting to have children, others are scrambling to care for them now, and many are also facing the challenges of caring for *kupuna*.” She also said “there’s a heightened awareness that the rights and benefits that we have taken for granted can be taken away. At the same time, we still have so far to go for workers and families.”

I am glad that Hawaii legislators understand the importance of supporting working families, and as I’ve mentioned in previous testimonies, Family Leave Insurance is not just a personal or social issue, but an economic imperative.

The following excerpts from my previous testimonies provide data backing up the economic argument for Family Leave Insurance:

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

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

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

As some of you may recall, in July of 2015, former U.S. Secretary of Labor Tom Perez came to Hawaii to convene a Roundtable on Paid Family Leave. I flew from Maui to attend the roundtable and participate in filming the event because I believe that paid family leave is critical to Hawaii's economic future. Mr. Perez spoke about the high numbers of qualified women who drop out of the workforce because the "childcare math" doesn't pencil out, and how this loss of talent impacts the health of the U.S. economy and our nation's ability to compete on a global scale. Furthermore, when women must make the false choice to care for families rather than work outside the home, their wages are reduced in both the short and long-terms, contributing to the gender wage gap. Conversely, when women are supported in the work force, and do not have to choose between economic livelihood and caregiving responsibilities, their earnings increase dramatically.

Currently, 240,000 Hawaii employees serve as primary caregivers to a family member, and by 2020, an estimated 40% of the workforce will be providing care for older parents.

Our economy depends on all of the people of Hawaii having the ability to contribute both labor and intellectual capital, even if they have to take breaks to care for loved ones. At the Roundtable with former Sec. Perez, union representatives noted the impact of caregiving on Hawaii's multi-generational households.

In December of 2016, I spent a month in Stockholm, Sweden, where I met with unions and start-ups to work on strategies for supporting workers and the innovation economy in Europe and the US. In addition to very exciting conversations about strengthening worker rights in the 21st century world of work, intellectual property rights, and the high-tech economy in Hawaii, there were many conversations about the importance of a safety net for families.

As you may know, parents in Sweden receive 480 days of family leave. That's over 68 weeks and doesn't include time off for giving birth, or paid leave for pregnant women who are not able to do their jobs for medical reasons. The leave is shared by both parents.

Last year, Sweden was ranked 1st for business by Forbes Magazine. Meanwhile, the US continued its slide to 23.

Sweden is not just a great place to raise a family. It is considered one of the most innovative countries in the world, based on the caliber of universities, the number of scientific publications and international patent filings. We were fortunate to spend time with one of Sweden's national treasures, the inventor of GPS and the color monitor.

It was clear from our time in Sweden that when families are supported, individuals can be innovative and take risks without jeopardizing their families' health and security. And as we see in our own state, when families are strapped and are basically holding their lives together with scotch tape and paper clips, it is much harder to have the time or resources to be innovative.

If we want to keep up economically, Hawaii needs to step up.

I urge you to pass the Family Leave Insurance bill as presented by the Women's Legislative Caucus, which truly supports women, parents, and all caregivers – and thereby supports our residents in creating the economy of the future that this state so sorely needs.

Mahalo.

Shay Chan Hodges

Haiku, Maui, Hawaii

SB-2350

Submitted on: 2/4/2018 12:21:49 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joy Marshall		Support	No

Comments:

SB-2350

Submitted on: 2/4/2018 2:03:47 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

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

Comments:

Dear Chair Tokuda, Vice-Chair English, and the member of Senate Committee on Labor,

As a member of American Association of University Women Hawaii (AAUW) and as a retired working mother, I want to first thank you for the opportunity to testify in strong support of SB 2350. SB2350 would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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 are caregivers for a family member.

This program if enacted, would help Hawaii's businesses. Family leave insurance 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 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.

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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.

February 4, 2018

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

From: Karen Worthington, JD

Re: **SB 2350 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Conference Room 229 – February 6, 2018 – 3:30 PM

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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.

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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.

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February 4, 2018

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

From: [INSERT NAME]

Re: **SB 2350 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Conference Room 229 – February 6, 2018 – 3:30 PM

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The program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.

SB-2350

Submitted on: 2/4/2018 5:11:42 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jun Shin		Support	No

Comments:

I strongly support this measure. Please fight for our working families. Our current standards are not enough, especially toward our Mothers, Sisters, Daughters, etc as they are the ones who are responsible for giving birth. It shouldn't be an economic inconvenience to give birth and to stay at home and take care of your child. This will be even more important in the coming years as our population continues to age and more and more working people will need to stay home in order to take of their Kupuna. Please support this bill and answer these questions now, so that people will not have to choose between taking care of their loved ones, and paying the bills.

Jun Shin

Board Member At-Large

Young Progressives Demanding Action - Hawaii

Phone: 808-255-6663

Email: junshinbusiness729@gmail.com

SB-2350

Submitted on: 2/4/2018 6:15:58 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

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

Comments:

SB-2350

Submitted on: 2/4/2018 6:38:25 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicole A Velasco		Support	No

Comments:

To: Hawaii State Senate Committee Labor

Hearing Date/Time: Tuesday, February 6, 2018, 3:30 PM

Place: Hawaii State Capitol, Rm. 229

Re: Testimony in support of S.B 2350, relating to family leave insurance

Chair Tokuda, Vice Chair English, and members of the committee, thank you for the opportunity to share my testimony in strong support of SB 2350, relating to family leave insurance. 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.

Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave 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.

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.

Family leave insurance promotes gender equity in the workplace and economic stability for women. o 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.

We need to support our working families in our state. I strongly support SB 2350 and respectfully request you pass the measure. Thank you for your consideration and for the opportunity to provide testimony on this matter.

SB-2350

Submitted on: 2/4/2018 8:23:35 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Patricia Blair		Support	No

Comments:

SB-2350

Submitted on: 2/4/2018 8:23:46 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Judy Kern		Support	No

Comments:

Aloha Chair Tokuda and Members of the Senate Committee on Labor,

I urge you to support SB2350, to establish a much needed Family Leave Insurance Program. Hawaii's hard-working people shouldn't have to face the impossible choice between caring for the health needs of a family member, and being able to sustain their family's income. Paid family leave is cost-effective and promotes community resilience. Thank you for supporting Hawaii's employees and their families by voting for SB2350.

Respectfully,

Judy Kern

SB-2350

Submitted on: 2/5/2018 9:57:15 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dawn Morais Webster Ph.D.	Independent Issue Advocate	Support	No

Comments:

Five other states plus DC offer paid family leave. Why can't we? Why don't we? We are the aloha state. Friends of mine, businesspeople, who visit Hawaii every year and are dismayed at the growing numbers of the houseless on our streets, were astonished to hear what our minimum wage is, and that we do not provide struggling families with paid leave to look after children and sick or injured family members. The research has been done, we have had expert advice by those who have studied our demographics and compared it to other states and they tell us we can create a low cost social insurance program to give workers earning \$48,000 a year up to 16 weeks paid leave for an ANNUAL cost of \$58. That is a bargain and we should not waste any more time agonizing about it. The clock is ticking and by 2020 more than 40% of our people will have caregiving challenges of one kind or another. Let's move towards a solution before the crisis hits us the way houselessness has hit us. Please move this bill forward. Thank you for all you do to create smart, compassionate public policy that makes good business sense. Small businessness will welcome this tool for retaining employees. This is a benefit they cannot offer on their own. Polling shows there is overwhelming support for such a program. Please act now. Mahalo.

From: [Kory Payne](#)
To: [LBR Testimony](#)
Subject: Family Leave Insurance for Hawaii's Families Now (SB2350)
Date: Monday, February 5, 2018 1:41:39 PM

From: kory.payne@gmail.com <Kory Payne>

Message:

Mahalo

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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.

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This program if enacted, would help Hawaii's businesses. Family leave insurance 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 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.

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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.

Kory Payne

waialua

Hawaii

From: [Angelina Mercado](#)
To: [LBR Testimony](#)
Subject: Family Leave Insurance for Hawaii's Families Now (SB2350)
Date: Monday, February 5, 2018 1:12:32 PM

From: angelraybpc@gmail.com <Angelina Mercado>

Message:

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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 are caregivers for a family member.

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For the above reasons, I respectfully request the Committee to pass this measure.

Angelina Mercado

Director of Advancement

Honolulu

Hawaii

From: [Shannen Aragon](#)
To: [LBR Testimony](#)
Subject: Family Leave Insurance for Hawaii's Families Now (SB2350)
Date: Monday, February 5, 2018 2:32:10 PM

From: smaragon@hawaii.edu <Shannen Aragon>

Message:

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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For the above reasons, I respectfully request the Committee to pass this measure.

Shannen Aragon

Honolulu

Hawaii

SB-2350

Submitted on: 2/4/2018 9:30:49 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Leah Yamamoto		Support	No

Comments:

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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For the above reasons, I respectfully request the Committee to pass this measure.

SB-2350

Submitted on: 2/5/2018 12:19:52 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brodie Lockard		Support	No

Comments:

SB-2350

Submitted on: 2/5/2018 1:05:22 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert H Stiver		Support	No

Comments:

According to information available to me, the facts itemized below stand out and make a compelling case for enactment of a law establishing family leave insurance in our Hawaii. I sincerely ask that you vote in favor of SB 2350. Thank you/Mahalo. --

--Nearly half of Hawaii's families with children cannot afford basic needs.

--7 in 10 children in Hawaii live in a household where both parents work and over a quarter of all our children live in households headed by a single parent.

SB-2350

Submitted on: 2/5/2018 1:27:50 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Angelina Mercado		Support	No

Comments:

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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For the above reasons, I respectfully request the Committee to pass this measure.

SB-2350

Submitted on: 2/5/2018 6:56:58 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sena Sanjines		Support	No

Comments:

I support paid family leave. I am a new mom of a 3-month old. Although I work for a school the majority of my time is spent in meetings. After nine weeks of maternity leave I returned to work when I ran out of a combination of sick and vacation leave and used up my six weeks of short-term disability. Going back to work early negatively effected me, my family, and my work. The two biggest challenges returning to work early are feeding baby and paying for childcare. While I work for an organization that provides space to pump breastmilk, this is a conference room that must be reserved like any other and is often not free when I need to pump. The alternative is to stop providing breastmilk for my baby and feed him formula instead. This is both less healthy for baby and cost-prohibitive. It costs more than \$150 a month to feed baby using formula. That's in addition to the \$800-\$1000 a month it costs for a sitter. Most families like mine need both parents to work full-time to cover housing costs and we do not have the benefit of a parent or relative retired or not working able to care for our child. The negative effect on my was illness. I had a difficult time pump regularly which caused health problems which resulted in loss of time at work. I had to leave baby sooner than I would have liked which has been a challenging transition for baby as well, and my work has suffered due to additional time off. However; my situation is better than most moms because I had enough leave and disability for me to take two months of maternity leave. Those first weeks and months of a baby's life are crucial for establishing healthy weight gain and development and sufficient healing for mothers. All new mothers and baby's deserve an equal opportunity for a healthy start. The cost benefit to the state in terms of less doctor's/hospital visits plus increased worker productivity is worth the investment.

SB-2350

Submitted on: 2/5/2018 8:17:23 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Kahn		Support	No

Comments:

I am writing in support of Senate Bill2350. Providing family leave insurance is an important step in supporting low- and middle-income workers across the state. Research shows that for as little as \$58 per year, workers could be guaranteed 16 weeks of paid leave. As the population grows older, and more workers--especially women--face the squeeze of caring for children and parents, paid leave is a crucial support. With many working people living paycheck to paycheck, they do not have the resources to take unpaid leave under FMLA . Instead, they may take money from their own meager retirement savings, reducing their own financial stability. Paid leave can help Hawaii avoid increased intergenerational poverty as families cope with the need to work and the responsibilities of caregiving.

SB-2350

Submitted on: 2/5/2018 8:37:23 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carmen Golay		Support	No

Comments:

SB-2350

Submitted on: 2/5/2018 10:51:11 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez		Support	No

Comments:

SENATE COMMITTEE ON LABOR

Senator Jill Tokuda, Chair

Senator Kalani English, Vice-Chair

Date: Tuesday, February 6, 2018

Time: 3:30 p.m.

Place: Conference room 229

SB2350, RELATING TO FAMILY LEAVE

STRONG SUPPORT

My name is Bart Dame and I am testifying as an individual.

I strongly support the approach taken by SB2350. I will admit to not being that family with the complexities of the issues involved in setting up such a program. But the research behind this proposal, drawn from a comparison of similar programs in other states, while tailored for the conditions of our state, seem to provide a very useful approach.

This research should allow the State to greatly reduce the amount of time necessary to implement family leave for Hawaii residents. At a minimum, it should allow the State to shorten the drawn-out timeline for implementation as envisioned by SB2990.

It is my understanding the State of New York took two years to design and implement their family leave program. Given all the work that went into SB2350, I suggest we might shorten the timeline for implementation to match the two years of New York?

I support the “social insurance” approach in the proposal of the Women’s Legislative Caucus bill, SB2350, which would establish family leave as a benefit for all employees, one that follows the employee as they move from job to job.

Thank you for consideration of these bills. Family leave is an important benefit to which all employees should be entitled in a just, or even “semi-just” society. Please take care to structure the program wisely, but not delay its implementation any more than is necessary. I sincerely believe the approach of this bill would shorten the time necessary for implementation of family leave.

Thank you for the opportunity to testify.

SB-2350

Submitted on: 2/5/2018 3:34:17 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Patricia Gozemba	personal	Support	No

Comments:

By 2020 about 40% of our workforce will be providing care for older parents. Women are the primary caregivers and they are often also mothers and sometimes single mothers. The proposed insurance plan that will provide up to 16 weeks of paid leave will be good for employers, employees, kupuna, and children. Hawai'i cares about all its people. This insurance plan is a way to demonstrate caring in the absence of a full paid leave process.

Dr. Patricia A. Gozemba

3873 Nikolo St. Honolulu

SB-2350

Submitted on: 2/5/2018 4:21:24 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sheela Jane Menon		Support	No

Comments:

As a state that places particular emphasis on ohana and aloha, we have a moral and economic duty to support our residents in caring for their families. Research indicates that caregiving responsibilities fall primarily on women and its economic effects are especially devastating for low income families. I watched my mother, aunt, and uncle work tirelessly to care for my grandmother in the final years of her life. They shared the financial and emotional costs of her care, with support from other family members. For those who simply do not have this network of support and who cannot afford the costs of caregiving, the task of caring for our loved ones can seem almost impossible. As a state, we have a responsibility to ensure that our families are able to support one another. Please vote in favor of SB2350.

SB-2350

Submitted on: 2/5/2018 4:02:50 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Tschann		Support	No

Comments:

Thank you for this opportunity to provide testimony in **strong support** of HB 1911, to allow families the opportunity to receive paid leave for family caregiving responsibilities. Hawaii families frequently find themselves choosing between a paycheck and their family needs during critical periods of life – something no one should be forced to do.

This bill proposes an equitable, accessible and just approach to supporting Hawaii's families. Moreover, expert analysis shows that this proposal is both cost-effective and necessary. This is a compassionate solution for the challenges our families too often face; no one should have to choose between being able to pay rent and being able to be with their family during a time of great need.

Hawaii's legislature often makes me proud with their leadership when it comes to supporting our keiki and families. Passing this bill would set an example for your peers around the country; compassion, fairness and equity require innovation and bold solutions. I encourage you to **pass** this bill.

Thank you,

Mary Tschann PhD MPH

SB-2350

Submitted on: 2/5/2018 12:31:34 PM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane S. Martinson		Comments	No

Comments:

We have many working parishioners impacted by family caregiving responsibilities, and, as the bill states, this is only going to increase in the years to come. I commend the legislature for taking a serious look at implementing a state family leave insurance program. There are variations in the programs that other states have implemented, the particulars of their situations I don't know compared to the state of Hawai`i , so I can't speak to the details, but I support the concept.

LATE

February 4, 2018

To: Rep. Aaron Johanson, Chair
Rep. Daniel Holt, Vice Chair
House Committee on Labor & Public Employment

From: [INSERT NAME]

Re: **HB 2136 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Conference Room 309 – February 6, 2018 – 8:30 AM

I write in strong support of HB 2136, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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 unpaid leave with up to 12 weeks 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.

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This program if enacted, would help Hawaii’s businesses. Family leave insurance 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 family leave had either a positive or a neutral effect on their business. Small businesses were less likely to report any negative effects.

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The program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.

LATE



Testimony to the Senate Committee on Labor
Tuesday, February 6, 2018, 3:30 pm
State Capitol, Room 229

Comments on SB 2350 & SB 3047, 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 offer the following comments regarding SB 2350 & SB 3047, which would require employees to make contributions into a family leave insurance program to be used to provide employees with family leave insurance benefits in order to care for a designated person.

While we appreciate and understand the intent of this bill to allow for paid leave in the workplace, we are concerned about the cost and management of the 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.

LATE

SB-2350

Submitted on: 2/6/2018 7:45:50 AM

Testimony for LBR on 2/6/2018 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Becky Gardner		Support	No

Comments:

LATE

February 6, 2018

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

From: Shana Cruz
PO BOX 470
Eleele, Hi 96705

Re: **SB 2350 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Conference Room 229 – February 6, 2018 – 3:30 PM

I write in strong support of SB 2350, which would establish a Family Leave Insurance Program to provide all workers with 16 weeks of paid time off from work to address family needs. The bill would also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages to make the benefit accessible to everyone.

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For the above reasons, I respectfully request the Committee to pass this measure.

LATE

February 6, 2018

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

From: Frank Cruz Jr.
PO BOX 470
Eleele, Hi 96705

Re: **SB 2350 – Relating to Family Leave – STRONG SUPPORT**
Hawaii State Capitol, Conference Room 229 – February 6, 2018 – 3:30 PM

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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 are caregivers for a family member.

This program if enacted, would help Hawaii’s businesses. Family leave insurance 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 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.

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 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 program outlined in this measure is affordable and designed to be revenue-neutral to the State. 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.

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

For the above reasons, I respectfully request the Committee to pass this measure.