

SB 2990

SD-2

**RELATING TO
FAMILY LEAVE**

A BILL FOR AN ACT

RELATING TO FAMILY LEAVE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's working
2 families are not adequately supported during times of caregiving
3 and illness. While the Federal Family and Medical Leave Act of
4 1993 allows twelve weeks of unpaid leave to employees who have
5 worked at a business that employs fifty or more employees, the
6 majority of Hawaii's workforce cannot afford to take unpaid
7 leave to care for a child or an elderly family member with a
8 serious health condition. Hawaii law offers only a modest four-
9 week extension of unpaid leave and this applies only to Hawaii's
10 few large employers with more than one hundred employees.

11 The legislature further finds that only eleven per cent of
12 workers in the United States have access to paid family leave
13 through their employers. Women, as primary caregivers of
14 infants, children, and elderly parents, are affected
15 disproportionately by the unavailability of paid family and
16 medical leave. In Hawaii, 247,000 people serve as family
17 caregivers. Hawaii has the fastest growing population of



1 individuals over the age of sixty-five in the nation, and that
2 number is expected to grow by eighty-one per cent by the year
3 2030. Of those who would benefit from paid family leave, nearly
4 one-third would take those leave benefits to care for an ill
5 spouse or elderly parent. In short, most workers, at some
6 point, will need to take time off to care for an ill family
7 member, but very few can afford it.

8 The purpose of this Act is to establish paid family leave
9 and lay the groundwork to implement a paid family leave
10 framework of laws and policies so that all employees can access
11 leave benefits during times when they need to provide care for a
12 family member.

13 SECTION 2. Chapter 398, Hawaii Revised Statutes, is
14 amended by adding a new section to part I to be appropriately
15 designated and to read as follows:

16 "§398- Paid family leave special fund. (a) There is
17 established a paid family leave special fund into which shall be
18 deposited the following moneys:

- 19 (1) Appropriations by the legislature to the special fund;
20 (2) Gifts, donations, and grants from public agencies and
21 private persons; and



1 (3) Moneys contributed by employers and employees as a
2 condition of paid family leave implementation as
3 established by the paid family leave implementation
4 board.

5 All interest earned or accrued on moneys deposited into the fund
6 shall become part of the fund. The fund shall be administered
7 by the department; provided that the department may contract
8 with a public or private agency for the day-to-day management of
9 the fund.

10 (b) Subject to legislative authorization, the department
11 may expend moneys from the fund:

12 (1) For permanent and temporary staff positions; and

13 (2) To cover administrative and operational costs of
14 implementing any legislative requirement to establish
15 paid family leave for all workers in the State.

16 (c) Moneys deposited into the fund and interest earned
17 thereon shall not revert to the general fund."

18 SECTION 3. (a) By January 1, 2020, the department of
19 labor and industrial relations shall adopt rules, which shall be
20 exempt from chapter 91, Hawaii Revised Statutes, that establish
21 and codify paid family leave for all workers in the State.



1 (b) Rules adopted shall, at a minimum, establish a paid
2 family leave program that includes:

- 3 (1) A minimum of weeks paid leave;
- 4 (2) Coverage for all employees of employers who employ one
5 or more employees;
- 6 (3) A system of progressive wage replacement to allow low-
7 income workers to receive a higher percentage of their
8 weekly earnings than average high-wage workers; and
- 9 (4) Job protections to ensure use of paid family leave
10 does not adversely impact employment.

11 (c) The paid family leave program shall begin to collect
12 payments no later than July 1, 2021, and begin processing
13 payments no later than July 1, 2022.

14 (d) The department may adopt interim rules, which shall be
15 exempt from chapter 91, Hawaii Revised Statutes, to effectuate
16 the purposes of this Act; provided that the interim rules shall
17 remain in effect until January 1, 2022, or until rules are
18 adopted pursuant to subsection (a), whichever occurs sooner.

19 SECTION 4. (a) There is established a paid family leave
20 implementation board within the department of labor and
21 industrial relations for administrative purposes only to assist



1 the department in establishing paid family leave for all workers
2 in the State, pursuant to this Act.

3 (b) The paid family leave implementation board shall
4 comprise the following individuals or their designees:

5 (1) The governor's chief of staff, who shall serve as
6 chairperson;

7 (2) The director of labor and industrial relations;

8 (3) The director of human resources development, who shall
9 serve as an ex officio member;

10 (4) The comptroller, who shall serve as an ex officio
11 member;

12 (5) The insurance commissioner;

13 (6) The chairperson of the senate committee on labor, or a
14 successor committee with jurisdiction over labor; and

15 (7) The chairperson of the house of representatives
16 committee on labor and public employment, or a
17 successor committee with jurisdiction over labor.

18 (c) The following persons shall be appointed as additional
19 members of the board:

20 (1) One representative of a business employing one hundred
21 or more employees, to be appointed by the governor;



- 1 (2) One representative of a business employing between
2 fifty and one hundred employees, to be appointed by
3 the speaker of the house of representatives;
- 4 (3) One representative of a business employing fifty or
5 fewer employees, to be appointed by the president of
6 the senate;
- 7 (4) One representative of the insurance industry, to be
8 appointed by the president of the senate;
- 9 (5) One representative of the medical or public health
10 community, to be appointed by the speaker of the house
11 of representatives;
- 12 (6) One representative of a labor union in the State, to
13 be appointed by the president of the senate;
- 14 (7) One representative of a labor union in the State, to
15 be appointed by the speaker of the house of
16 representatives;
- 17 (8) One member representing paid family leave advocates,
18 to be appointed by the president of the senate;
- 19 (9) One member representing paid family leave advocates,
20 to be appointed by the Hawaii state commission on the
21 status of women;



1 (10) One member representing paid family leave advocates,
2 to be appointed by the speaker of the house of
3 representatives; and

4 (11) One member representing the human resources
5 profession, to be appointed by the director of labor
6 and industrial relations.

7 (d) The paid family leave implementation board shall
8 develop an analysis and implementation plan for providing
9 workers with family leave insurance benefits during times when a
10 worker is required to take leave to care for a family member.

11 (e) All executive branch departments and agencies shall
12 enter into and participate in data-sharing agreements for the
13 purposes of this Act, to commence no later than twenty days
14 prior to the convening of the regular session of 2019.

15 (f) The legislative reference bureau shall conduct an
16 analysis prior to 2019 that includes:

17 (1) A comparative analysis of potential paid family leave
18 models to cover all workers, including social
19 insurance and temporary disability insurance
20 expansion, that includes a breakdown of the costs for
21 implementing and sustaining each model;



- 1 (2) Models that consider progressive wage replacement and
2 job protection;
- 3 (3) A multi-year budget for establishing a paid family
4 leave insurance program;
- 5 (4) A timeline for implementing paid family leave,
6 including benchmarks and deliverables;
- 7 (5) A review of other state paid leave models, including a
8 review of current temporary disability insurance usage
9 and other state temporary disability insurance models;
- 10 (6) Findings and other recommendations, including
11 recommendations for ongoing regulation and additional
12 funding resources; and
- 13 (7) An actuarial analysis.
- 14 (g) No later than twenty days prior to the convening of
15 the regular session of 2019, the paid family leave
16 implementation board shall submit a report to the legislature
17 that includes:
- 18 (1) A comparative analysis of potential paid family leave
19 models to cover all workers, including social
20 insurance and temporary disability insurance



- 1 expansion, that includes a breakdown of the costs for
2 implementing and sustaining each model;
- 3 (2) Models that consider progressive wage replacement and
4 job protection;
- 5 (3) A multi-year budget for establishing a paid family
6 leave insurance program;
- 7 (4) A timeline for implementing paid family leave,
8 including benchmarks and deliverables;
- 9 (5) A review of other state paid leave models, including a
10 review of current temporary disability insurance usage
11 and other state temporary disability insurance models;
- 12 (6) A schedule for ongoing audits;
- 13 (7) Findings and other recommendations, including
14 recommendations for ongoing regulation and additional
15 funding resources; and
- 16 (8) Proposed legislation, if any.
- 17 (h) No later than twenty days prior to the regular
18 sessions of 2020, 2021, 2022, 2023, and 2024, the paid family
19 leave implementation board shall submit a report to the
20 legislature that includes:



- 1 (1) Updates to the analysis and implementation plan, as
- 2 necessary;
- 3 (2) The progress of the department of labor and industrial
- 4 relations in meeting its obligation required by this
- 5 Act;
- 6 (3) Additional findings and recommendations, if any; and
- 7 (4) Proposed legislation, if any.
- 8 (i) The paid family leave implementation board shall cease
- 9 to exist on January 1, 2024.

10 SECTION 5. There is appropriated out of the general
 11 revenues of the State of Hawaii the sum of \$ or so much
 12 thereof as may be necessary for fiscal year 2018-2019 for the
 13 legislative reference bureau to conduct its analysis pursuant to
 14 section 4 of this Act.

15 The sum appropriated shall be expended by the legislative
 16 reference bureau for the purposes of this Act.

17 SECTION 6. There is appropriated out of the general
 18 revenues of the State of Hawaii the sum of \$ or so much
 19 thereof as may be necessary for fiscal year 2018-2019 to be
 20 deposited into the paid family leave special fund.



1 SECTION 7. There is appropriated out of the paid family
2 leave special fund the sum of \$ or so much thereof as
3 may be necessary for fiscal year 2018-2019 to fund one full-time
4 equivalent (1.0 FTE) program manager to support the paid family
5 leave implementation board, the expenses of the implementation
6 board, and the expenses of the department of labor and
7 industrial relations in establishing paid family leave for all
8 workers by January 1, 2020.

9 The sum appropriated shall be expended by the department of
10 labor and industrial relations for the purposes of this Act.

11 SECTION 8. The legislative reference bureau may contract
12 the services of a consultant with the funds appropriated in
13 section 5 of this Act. The department of labor and industrial
14 relations may contract the services of a consultant with the
15 funds appropriated in section 7 of this Act. The contracting of
16 services under this Act shall be exempt from chapter 103D,
17 Hawaii Revised Statutes.

18 SECTION 9. New statutory material is underscored.

19 SECTION 10. This Act shall take effect on July 1, 2050;
20 provided that sections 5, 6, and 7 shall take effect on July 1,
21 2050..



Report Title:

Paid Family Leave; DLIR; Insurance; Board; Report; Appropriation

Description:

Requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers. Authorizes the Department to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024. Establishes a Paid Family Leave Special Fund. Appropriates funds. Effective 7/1/2050. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



SB 2990

SD-2

TESTIMONY



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

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

Before the
House Committee on Labor & Public Employment
March 20, 2018
10:00 a.m., Conference Room 309

In consideration of
Senate Bill No. 2990 SD2
RELATING TO FAMILY LEAVE

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

Thank you for the opportunity to provide comments in **Strong Support for Senate Bill 2990 SD2**.

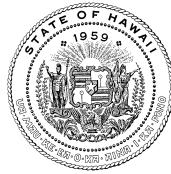
We believe it is indeed time we implement a paid family leave program which will benefit all workers across the state, but find it is particularly important for those workers and their families who are living paycheck to paycheck.

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

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

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

DAVID Y. IGE
GOVERNOR



LAUREL A. JOHNSTON
DIRECTOR

KEN N. KITAMURA
ACTING DEPUTY DIRECTOR

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

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

P.O. BOX 150
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
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
ON
SENATE BILL NO. 2990, S.D. 2

**March 20, 2018
10:00 a.m.
Room 309**

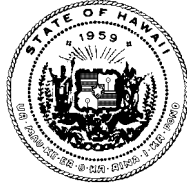
RELATING TO FAMILY LEAVE

Senate Bill No. 2990, S.D. 2, proposes to implement a paid family leave system in the State and establish a Paid Family Leave Special Fund (PFLSF) which is to be administered by the Department of Labor and Industrial Relations (DLIR). The measure authorizes DLIR to adopt interim rules, which shall be exempt from Chapter 91, HRS, to effectuate the purposes of this Act, provided that the interim rules shall remain into effect until January 1, 2022, or until rules are adopted, whichever comes sooner. The bill also establishes a Paid Family Leave Implementation Board (PFLIB) within DLIR for administrative purposes only to assist DLIR in establishing paid family leave for all workers in the State, pursuant to this Act. The bill further requires the PFLIB to submit a report to the Legislature annually through 2024 providing specified information described in the Act. The PFLIB shall cease to exist on January 1, 2024.

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

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

Thank you for your consideration of our comments.



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

March 19, 2018

TO: The Honorable Representative Aaron Ling Johanson, Chair
House Committee on Labor & Public Employment

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 2990 SD2 – RELATING TO FAMILY LEAVE**

Hearing: Tuesday, March 20, 2018, 10:00 a.m.
Conference Room 309, State Capitol

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

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

In 2016, DHS, through the Hawaii State Commission on the Status of Women (HSCSW), received a competitive grant from the United States Department of Labor (US DOL). The US DOL Paid Leave Analysis grant program was intended to support research and analysis needed to explore, develop, implement, and/or improve paid family and medical leave programs at the State and municipal levels. Through this grant, the HSCSW completed research in the following categories: economic analysis, eligibility, and benefit modeling; a feasibility and implementation study to carefully examine how a paid leave program could be successfully implemented on the state level; public polling of Hawaii

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

SB 2990 SD2 provides for another study on paid leave, to be conducted by the Legislative Reference Bureau. DHS appreciates the need for sound data, but points out that all underlying research necessary to implement paid family leave has already been conducted. Additionally, all of the research components listed in proposed SD1 have already been completed with the aforementioned US DOL funded research.

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

DHS has undertaken a multi-generational approach through its implementation of 'Ohana Nui, recognizing that Hawaii has the highest percentage of multi-generational households, the highest cost of housing, one of the highest costs of living, and the fastest growing population of individuals aged 65 and older. Our economy is reliant on a female and older workforce, precipitating a need to ensure our work place policies are reflective of this demographic. Paid family leave is associated with better health outcomes for children and mothers; an increase in children receiving well-baby check ups and vaccinations; increased bonding with children; and an increase in elderly individuals being able to age in place with family caregiver support.

In 2008, Act 143 required the Joint Legislative Committee on Aging in Place to explore the provision of wage replacement benefits to employees who needed to take time off from work to care for a family member with a serious health condition. Subsequently, the Family Leave Working Group was established as part of the Joint Legislative Committee on Aging to explore wage replacement benefits. This working group endorsed the establishment of a state sponsored long-term care insurance program through employee

payroll deductions, similar to a social insurance program. The wealth of data on existing paid family leave programs reveal paid family leave programs function more effectively as social insurance programs. Privatization of such a program risks harming the program's integrity and fiscal solvency.

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



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

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HONOLULU, HAWAII 96813

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March 20, 2018

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

Date: Tuesday, March 20, 2018
Time: 10:00 a.m.
Place: Conference Room 309, State Capitol

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

Re: S.B. NO. 2990 SD2 RELATING TO FAMILY LEAVE

I. OVERVIEW OF PROPOSED LEGISLATION

This proposal amends Chapter 398, Hawaii Revised Statutes (HRS), by establishing the paid family leave special fund. Legislative appropriations, gifts, donations, grants, and employee and employer contributions would go into the fund to pay for permanent and temporary staff positions, administration, and operational costs to establish paid family leave for all workers in the State.

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

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

II. CURRENT LAW

Hawaii Family Leave Law (HFLL) provides four weeks of protected, unpaid leave for employees of employers with 100 or more employees, on the birth or adoption of a

child or to care for the employee's child, spouse, reciprocal beneficiary, sibling, or parent with a serious health condition.

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

III. COMMENTS ON THE SENATE BILL

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

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

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

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

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

DLIR obtained an estimate of \$25-\$30 million for the IT portion of the project from a local vendor to develop the required hardware and software over an initial five-year period. Washington projects spending between \$30 – \$50 million to develop its IT

infrastructure over eight years, intending it for use across multiple programs.

When the Legislature considered adopting major workers' compensation reform or the adoption of TDI or Prepaid Healthcare Laws, it has instructed the Legislative Reference Bureau to commission a study, including a detailed actuarial component, before enacting those labor benefits and protections that form part the bedrock of Hawaii's labor protections¹. Therefore, the Department is appreciative that the measure contains a provision for the Legislative Reference Bureau to do a study that includes an actuarial analysis.

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

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

DLIR suggests adding more representation from organized labor for the Board's composition:

Lastly, DLIR requests clarification of the following:

1. Page 3, lines 18-21, section 3(a), allows DLIR to adopt rules. Lines 19-20 state "which shall be exempt from chapter 91." Page 4, lines 14-18, section 3(d), also allows DLIR to adopt interim rules exempt from chapter 91. However, lines 17-18 state that the interim rules shall "remain in effect until January 1, 2022, or until rules are adopted pursuant to subsection (a), whichever occurs sooner." DLIR notes, that as currently written, both the rules and interim rules are exempted from chapter 91, HRS.
2. Section 3(b)(3) relates to progressive wage replacement for low income workers. Page 4, line 8 states "average high-wage workers." DLIR notes the intent may have been to state "average or high-wage workers."

¹ <http://lrbhawaii.info/lrbreports/63/63workcomp.pdf>
<http://lrbhawaii.info/lrbreports/67/tdi.pdf>
<http://lrbhawaii.info/lrbreports/67/prepaid.pdf>

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

Written Comments

SB2990, SD2 RELATING TO FAMILY LEAVE

Charlotte A. Carter-Yamauchi, Director
Legislative Reference Bureau

Presented to the House Committee on Labor and Public Employment

Tuesday, March 20, 2018, 9:00 a.m.
Conference Room 309

Chair Johanson and Members of the Committee:

Good morning Chair Johanson and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments on S.B. No. 2990, S.D. 2, Relating to Family Leave.

The purpose of this measure is to:

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

- (3) Require all executive branch departments and agencies to enter into and participate in data-sharing agreements for purposes of implementing a paid family leave program;
- (4) Establish a Paid Family Leave Special Fund to carry out the purposes of this measure;
- (5) Require the Legislative Reference Bureau to conduct a study, prior to 2019, that includes among many other things an actuarial analysis of items that are included in the Paid Family Leave Implementation Board's study;
- (6) Require that both the Board's report and Bureau's study include a multi-year budget for establishing a paid family leave insurance program and include a review of other state leave and Temporary Disability Insurance models and review of Temporary Disability Insurance usage;
- (7) Appropriate an unspecified sum for fiscal year 2018-2019 from the general fund for deposit into the Paid Family Leave Special Fund;
- (8) Appropriate an unspecified sum for fiscal year 2018-2019 from the Paid Family Leave Special Fund for one full-time program manager to support the Board and the Department of Labor and Industrial Relations in establishing paid family leave for all workers by January 1, 2023, and to contract, exempt from Chapter 103D, Hawaii Revised Statutes, a consultant to assist the Department with its duties under this measure; and
- (9) Appropriate an unspecified sum for fiscal year 2018-2019 for the Legislative Reference Bureau to conduct the study and actuarial analysis and authorize Bureau to contract for services, exempt from Chapter 103D, Hawaii Revised Statutes, to complete the study.

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

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

- (1) A comparative analysis of potential paid family leave models to cover all workers, including but not limited to social insurance and temporary disability insurance expansion, and including a breakdown of the costs for implementing and sustaining each model;

- (2) An analysis of models that consider progressive wage replacement and job protection;
- (3) An analysis of a multi-year budget for establishing a paid family leave insurance program;
- (4) An analysis of a timeline for implementing paid family leave, including benchmarks and deliverables;
- (5) A review of other state paid leave models, including review of current temporary disability insurance usage and other state temporary disability insurance models;
- (6) Findings and other recommendations, including recommendations for ongoing regulation and additional funding resources; and
- (7) An actuarial analysis,

all before 2019.

First, the Bureau does not believe that it can complete this task in the time allotted. The Bureau does not employ an actuary, nor has it contracted the services of one in at least the past two decades. Furthermore, the Bureau does not retain subject matter experts in the fields of social insurance, temporary disability insurance expansion, or paid family leave, nor do we have staff with any budgetary expertise or experience. Consequently, the Bureau would have to contract the services of such experts and do so by drafting a Request for Proposals on this project and executing a contract, which will probably take more than six months, and would mean that the required report and actuarial analysis would not be available for the 2019 Legislature.

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

- (1) The Department of Labor and Industrial Relations adopting rules that establish a paid family leave program for all workers in the State that meets certain specified criteria (see page 3, line 18, to page 4, line 18);
- (2) The Bureau conducting a study on a number of specified issues that overlap with the criteria to be used by the Department of Labor and Industrial Relations (see page 7, line 15, to page 8, line 13); and

- (3) The Board developing an analysis and implementation plan to provide workers with family leave insurance benefits (see page 7, lines 7-10) and reporting to the Legislature on substantially identical issues as the Bureau within the exact same timeframe (see page 8, line 14, to page 9, line 16).

Furthermore, according to the measure, the Paid Family Leave Implementation Board and the Department of Labor and Industrial Relations, with moneys from the paid family leave special fund created in the measure, will be able to hire staff, contract a consultant, and defray costs associated with the implementation of the paid leave program. We also note that the Paid Family Leave Implementation Board's membership already includes representatives of executive branch agencies that do have access to actuarial services and have considerable subject matter expertise in leave programs and insurance. As such, the measure establishes a seemingly convoluted and unnecessarily complicated process to create the paid leave program.

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

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

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

Thank you again for your consideration.

HAWAII
STATE
COMMISSION
ON THE
STATUS
OF
WOMEN



Chair
LESLIE WILKINS

COMMISSIONERS:

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

Executive Director
Khara Jabola-Carolus

Email: kjabola-carolus@dhs.hawaii.gov

235 S. Beretania #407
Honolulu, HI 96813
Phone: 808-586-5758
FAX: 808-586-5756

March 19, 2018

To: Rep. Johansson, Chair
Rep. Holt, Vice Chair
Honorable Members of the H. Committee on Labor

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

Re: Testimony in Support, SB2990 SD2

On behalf of the Commission on the Status of Women, I thank you for this opportunity to testify in support of SB2990, with concerns and reservations as to the language of SD2. SB2990, if passed, would require the Department of Labor and Industrial Relations (DLIR) to adopt rules by 2020 that establish paid family leave for all workers. The bill also establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature, and repeals the Board on January 1, 2024.

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

The Commission recommends the following amendments:

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

The Commission therefore supports SB2990 with the requested amendments and urges the Committee to pass this important measure.

Sincerely,

Khara Jabola-Carolus

¹ *Hawaii State Paid Family Leave Grant Analysis Report*, Nov. 2017, https://www.dol.gov/wb/media/Hawaii_Report_Final_2.pdf



Randy Perreira
President

HAWAII STATE AFL-CIO

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

Testimony by
Hawaii State AFL-CIO
March 20, 2018

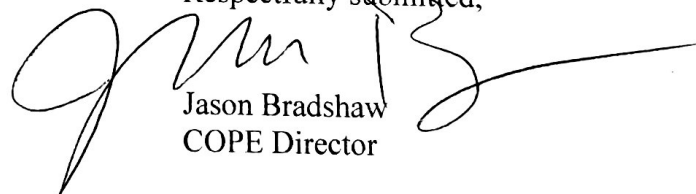
S.B. 2990, S.D.2 – RELATING TO
FAMILY LEAVE

The Hawaii State AFL-CIO strongly supports S.B. 2990, S.D.2 which requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers, authorizes the Department to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024 and establishes a Paid Family Leave Special Fund.

The United States is the only industrialized country that does not provide paid family leave to workers, mothers, fathers, single parents and those who desperately need it. We get to claim that distinction with Papua New Guinea – a distinction we shouldn't be proud about. It is actually an embarrassment that we have to be discussing the importance of why paid family leave matters. But we do. Fortunately, a number of states and counties are moving forward with their own paid family leave measures and hopefully Hawaii moves forward with them. States such as California, Washington, New York and others have adopted paid family leave sending a strong message to the rest of the country that they care about working families. Hawaii can do the same. Passage of S.B. 2990, S.D.2 will show we care about working families and hopefully one day help pave the way towards a nationwide paid family leave measure.

Thank you for the opportunity to testify.

Respectfully submitted,



Jason Bradshaw
COPE Director

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Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

March 20, 2018

TO: HONORABLE AARON JOHANSON, CHAIR, HONORABLE DANIEL HOLT, VICE CHAIR, SENATE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

SUBJECT: **COMMENTS REGARDING S.B. 2990, SD1, RELATING TO FAMILY LEAVE.** Requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers. Authorizes the Department to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024. Establishes a Paid Family Leave Special Fund. Appropriates funds. Effective 7/1/2050. (SD2)

HEARING

DATE: Tuesday, March 20
TIME: 10:00 AM
PLACE: Capitol Room 309

Dear Chair Johanson, Vice Chair Holt and Members of the Committee,

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

S.B. 2990, SD2 proposes to require a public and privately funded Paid Family Leave Special Fund – which will be able to study the various issues surrounding Paid Family Leave before implementation or mandating such program. The bill also proposes to allow the department to adopt rules that codify paid family leave for all workers in the state, while also allowing temporary rules (exempt from Chapter 91, HRS) to be implemented. GCA would prefer that any interim rules not be exempt from Chapter 91 – to allow public input to any interim administrative rules that may directly impact employers.

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

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

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

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

S.B. 2990, SD2 would allow both employers and employees to further study the matter and compare a medical or family leave program with other states and the federal government. Contractors that do business on federal projects are attempting to comply with the Federal mandates on family and medical leave and if anything request that the policies at the very minimum align with any federal mandates on this matter.

Thank you for the opportunity to share our comments.



**Testimony to the House Committee on Labor and Public Employment
Tuesday, March 20, 2018 at 10:00 A.M.
Conference Room 309, State Capitol**

RE: SENATE BILL 2990 SD2 RELATING TO FAMILY LEAVE

Chair Johanson, Vice Chair Holt, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **opposes** SB 2990 SD2, which Requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers. It also authorizes the Department to adopt interim rules; establishes the paid family leave implementation task force to assist the Department and report to the Legislature; establishes a Paid Family Leave Special Fund; and appropriates moneys.

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 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. Also, we appreciate the effort to bring different stakeholders together to come up with a paid family leave program. However, we do not support this bill.

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 to employees. While we do not know yet what the program will entail and who will pay for the benefit until the task force meets, we do know that the business community will ultimately be responsible to execute and shoulder at a minimum, some costs.

We need policies that will help Hawaii bring new businesses and support those in existence. Many employers offer paid leave programs as a means for attracting and retaining their workforce especially with our low unemployment rate. Rather than mandating, we suggest encouraging businesses to adopt their own innovative paid leave programs.

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



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House of Representatives
Committee on Labor and Public Employment
Tuesday, March 20, 2018
9:00 a.m.
Conference Room 309

To: Representative Aaron Ling Johanson, Chair
Re: S.B. No. 2990, S.D. 2, Relating to Family Leave

Dear Chair Johanson, Vice-Chair Holt, and Members of the Committee,

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

The Need for Paid Family Leave

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

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

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

Arriving at a Workable Program

AARP Hawaii supports the concept of paid family leave in Hawaii, and we believe that S.B. No. 2990, S.D. 2 is a sensible approach to "lay the groundwork to implement a paid family leave framework of laws and policies so that all employees can access leave benefits during times when they need to provide care for a family member." (Citing the last paragraph of Section 1 of S.B. No. 2990, S.D. 2.) We urge this Committee to take favorable action on this bill.


Thank you for the opportunity to present this testimony on S.B. No. 2990, S.D. 2.

Real Possibilities



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Aaron Ling Johanson, Chair
The Honorable Daniel Holt, Vice Chair
Members, Committee on Labor & Public Employment

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

Date: March 16, 2018

Hrg: House Committee on Labor & Public Employment; Tuesday, March 20, 2018 at 9:00AM in Room 309

Re: **Comments on SB 2990, SD2, Relating to Family Leave**

My name is Paula Yoshioka and I am the Vice President of Government Relations and External Affairs at The Queen's Health Systems (Queen's). We would like to provide **comments** and express our concerns on SB 2990, SD2, Relating to Family Leave. This bill requires the Department of Labor and Industrial Relations (DLIR) to adopt rules by 1/1/2020 that establish paid family leave for all workers and authorizes DLIR to adopt interim rules. It also establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature, repeals the Board on January 1, 2024, establishes a Paid Family Leave Special Fund, and appropriates funds.

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

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

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

P. Yoshioka, The Queen's Health System

Page 2

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

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

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

The Twenty-Ninth Legislature
Regular Session of 2018

HOUSE OF REPRESENTATIVES
Committee on Labor and Public Employment
Rep. Aaron Ling Johanson, Chair
Rep. Daniel Holt, Vice Chair
State Capitol, Conference Room 309
Tuesday, March 20, 2018; 10:00 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 2990, SD2
RELATING TO FAMILY LEAVE**

The ILWU Local 142 **supports the intent** of S.B. 2990, SD2, which requires the Department of Labor and Industrial Relations (DLIR) to adopt rules by January 1, 2020 that establish paid family leave for all workers; authorizes the Department to adopt interim rules; establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024; establishes a paid family leave special fund; and appropriates funds.

The ILWU fully supports legislation for paid family leave to allow all workers to receive compensation while attending to family needs that require them to be absent from work for short periods of time. However, we are very concerned that one of the three proposed means of funding the Paid Family Leave Special Fund requires contributions from both employers and employees. **The ILWU opposes open-ended employee contributions to pay for what should be an employer-provided benefit.**

The original S.B. 2990 did not specify that contributions from employers and employees would be used to fund paid family leave benefits. Instead, the original bill and a proposed SD1 called for the Implementation Board to review various models to effectuate paid family leave for all workers. Determining from the outset that the Special Fund requires employer and employee contributions may be putting the cart before the horse.

Paid family leave, like Temporary Disability Insurance, should be considered an employee benefit, paid for by the employer as a cost of doing business. Both parties will benefit from paid family leave—i.e., employees will benefit from paid leave to address family responsibilities but employers will also benefit from better productivity and better relations with employees who can take time off with pay when pressing family needs arise. However, if all employees must contribute to the Fund, most, if not all, employees will want to take advantage of the benefit they are paying for. Requests for family leave will increase even if the need may not necessarily support it. If it is a strictly employer-paid leave program, employees are more likely to use it only when the need truly warrants it.

There is no question that most legislators will support the concept of paid family leave. The federal family leave law and even the state law provide for employees of some employers to take unpaid family leave with assurances that their jobs and health care benefits will be protected during the leave period. However, many employees do not take advantage of current family leave laws either because they are not eligible (e.g., their employer employs too few employees) or they cannot afford the loss of income while on unpaid leave.

S.B. 2990, SD2 will expand family leave and make it paid for virtually all employees, regardless of the size of the employer. This sounds ideal for the worker, but the “devil is in the details.” S.B. 2990, SD2 calls for an actuarial analysis, which we believe is absolutely essential to ensure sustainability of the program. The Legislature needs to know how much money must be paid into the Paid Family Leave Special Fund to ensure a paid family leave benefit of varying sizes (e.g., amount of benefit and number of weeks of paid leave). Establishing the benefit before determining what kind of funding is needed will either result in a benefit that is unsustainable or will unduly and unfairly tax employees and employers.

The Implementation Board should be allowed to consider all models without foregone conclusions about how to fund paid family leave benefits, who will be covered, or what the extent of the benefit will be. Using an actuarial analysis, the Board can determine how much the Special Fund will need and how much can be paid out in benefits. In addition, any analysis should consider the administrative cost of running a program of this magnitude.

The Implementation Board intends to bring together stakeholder representatives, including key legislators, the Director of Labor and Industrial Relations, the Director of Human Resources Development, the Comptroller, the Insurance Commissioner, and representatives from employers of varying sizes, the insurance industry, labor unions, and paid family leave advocates to discuss and determine the best model to implement paid family leave in Hawaii.

Establishing a paid family leave program involves much more than simply willing it to happen. A thorough actuarial analysis is needed to ensure that the program is objective, fair, cost-effective, and sustainable. Those who advocate for paid family leave, including labor unions, want the best possible benefit, but we anticipate that some compromise (i.e., give and take) will be required to end up with a program that all stakeholders believe will be workable.

With input from all sectors, greater buy-in for the program can be established. Expertise from the departments and the insurance industry can also more readily help to identify workable solutions to allow the Board to accomplish its mission of establishing a sustainable, cost-effective paid family leave program.

A final concern is that **the existing Temporary Disability Insurance (TDI) law must be protected.** Similar to the Prepaid Health Care Act, TDI was landmark legislation when first enacted and has served Hawaii’s employees and employers well over the years. We believe that tampering with the law in any significant or not-so-significant way that jeopardizes the benefits workers have come to rely on may end up jeopardizing the stability of the workforce.

The ILWU respectfully urges consideration of the following amendments to S.B. 2990, SD2:

1. Delete the third numbered paragraph in the proposed new HRS 398-___, which will then delete the following sentence as shown: “[~~(3) Moneys contributed by employers and employees as a condition of paid family leave implementation as established by the paid family leave implementation board~~]”;
2. Restore the Director of Labor and Industrial Relations as the chairperson of the Implementation Board and include the Governor’s Chief of Staff as an ex-officio member of the Board; and

3. Add language to ensure that existing provisions of the Temporary Disability Insurance (TDI) law, including the provision to permit sick leave that is equivalent to TDI, be kept intact. However, allowing the use of TDI for family leave purposes similar to Act 44, which allows accrued and available sick leave to be used for family leave purposes, may be something to explore.

The ILWU supports the concept of paid family leave, but we respectfully request that our comments and proposed amendments be considered. Thank you for the opportunity to testify on this measure.



TO: Chair Johanson, Vice Chair Holt, and Members of the House Committee on Labor and Public Employment

FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)

DATE/LOCATION: March 20, 2018; 9:00 a.m., Conference Room 309

RE: COMMENTS REGARDING SB 2990– RELATING TO FAMILY LEAVE

Thank you for allowing us to share comments on SB 2990 – Relating to family leave. This bill proposes to implement a paid family leave system in the State and establishes a paid family leave special fund to be administered by the Department of Labor and Industrial Relations (DLIR). The benefits of this bill would be that it would allow Hawaii's working individuals and families to focus on both employment and caring for their families.

Many of Hawaii's working families are not afforded adequate amounts of paid leave causing financial hardship and increased dependency on public assistance during times of illness or caregiving. Low-wage workers are the least likely to have access to paid leave forcing them to choose between maintaining employment or caring for their families. A family leave insurance program could enable workers to retain employment while caring for family and help businesses retain key employees and remain competitive.

Paid family leave is often associated with increased benefits for employers, employees, families and the economy:

- Increased health outcomes for children and mothers
- Increased bonding between parents and children
- Increased elderly individuals being able to age in place with family caregiver support
- Increased employee retention
- Increased gender equity in the workplace
- Decreased dependence on public assistance

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii's not-for-profit organizations providing a wide array of innovative and educational social services to families in

need. Assisting more than 18,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 16 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, child and adolescent behavioral health programs, sex trafficking intervention, and community building programs.

Thank you for the opportunity to share our comment regarding **SB 2990**, please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.

IBEW1260

‘A‘OHE HANA NUI KE ALU ‘IA

March 20, 2018

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

SB2990 - RELATING TO FAMILY LEAVE

Chair Johanson, Vice Chair Holt, 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 2990 (SB2990).

The majority of Hawaii's working families are not afforded adequate amounts of paid leave causing financial hardship and increased dependency on public assistance during times of illness or caregiving. Therefore, it is incumbent upon the Legislature to ensure a path towards paid family leave which will serve to improve the lives of Hawaii's working families and IBEW1260 respectfully ask the Committee **SUPPORT SB2990**.

Mahalo for the opportunity to testify on this issue.

Respectfully,



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



CARING ACROSS GENERATIONS

Rep. Aaron Ling Johanson, Chair
Rep. Daniel Holt, Vice Chair
House Committee on Labor

Tuesday, March 20, 2018, 10:00 a.m. Conference Room 309

TESTIMONY IN SUPPORT OF SB 2990, SD2 – Relating to Family Leave

Caring Across Generations in strong support of Sente Bill 2990, Senate Draft 2.

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

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

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

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

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

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

Because of the reasons stated above and many others, we are in strong support of Senate Bill 2990, Senate Draft 2.

Thank you for considering my testimony.

Sincerely,

Pedro Haro
Hawai'i Advocacy Director
Caring Across Generations
pedro@caringacross.org

To: Hawaii State House of Representatives Committee on Labor and Public Employment
Hearing Date/Time: Tuesday, Mar. 20, 2018, 10:00 a.m.
Place: Hawaii State Capitol, Rm. 309
Re: Testimony of Planned Parenthood Votes Northwest and Hawaii in support of S.B. 2990,
SD2

Dear Chair Johanson and Members of the Committee,

Planned Parenthood Votes Northwest and Hawaii (“PPVNH”) writes in support of S.B. 2990, SD2. PPVNH supports policies that help move us to a society in which it is feasible and commonplace to have family leave insurance (“FLI”) and the funding mechanisms that make such leave available to all workers.

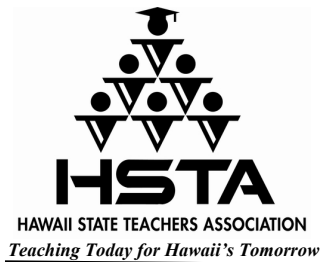
Most workers have only limited paid leave to deal with their family health needs, and many have no leave at all. When a new child comes into a family or a serious illness strikes, people need longer periods of time off. FLI provides low-cost insurance for all workers, and is a wage replacement program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

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

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

Sincerely,

Laurie Field
Hawaii Legislative Director



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

Corey Rosenlee
President
Justin Hughey
Vice President
Amy Perruso
Secretary-Treasurer
Wilbert Holck
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR AND PUBLIC EMPLOYMENT

RE: SB 2990, SD 2 - RELATING TO FAMILY LEAVE

TUESDAY, MARCH 20, 2018

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Johanson and Members of the Committee:

The Hawaii State Teachers Association **strongly supports and suggests amendments for SB 2990, SD 2**, relating to family leave.

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

Over 40 percent of 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 and their children without loss of pay. As this measure moves forward,

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

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

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

March 20, 2018

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

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

Re: **SB 2990, SD2 – Relating to Family Leave – SUPPORT, with requested amendments**
Hawaii State Capitol, Room 309, March 20, 2018, 10:00 AM

Hawaii Children's Action Network (HCAN) writes in support of, with requested amendments to, SB 2990, SD2, which would require the Department of Labor and Industrial Relations to establish a paid family leave program for all workers by 2020, would establish a paid family leave implementation board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on implementing paid family leave.

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

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

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

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

Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants,

children and aging parents. The lack of paid family leave exacerbates the gender wage gap for women but affects the economic stability for both women and men who are caregivers.

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

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

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

It’s a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family’s income. Providing paid family leave to all workers is an affordable solution to enable workers to take a small number of weeks out of the workforce without having to face the impossible choice between their family member’s health and their income or jobs.

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

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



AMERICANS FOR DEMOCRATIC ACTION

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Karin Gill, Secretary	Chuck Huxel	Doug Pyle		

March 16, 2018

TO: Honorable Chair Johanson and Members of the Labor Committee

RE: SB 2990 SD2 Relating to Family Leave

Support for hearing on March 20

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 2990 SD2 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



March 17, 2018

Representative Aaron Ling Johanson, Chair
Representative Daniel Holt, Vice Chair
House Committee on Labor & Public Employment

Re: S.B. 2990 S.D. 2 Relating to Family Leave

Hearing: Thursday, March 20, 2018, 10:00 am, Room 309

Dear Chair Johnson, Vice Chair Holt and Members of the Committee on Labor & Public Employment:

Hawaii Women Lawyers submits testimony in **strong support** of S.B. 2990, S.D.2. This measure ensures a paid family leave special fund and lays the groundwork to implement a paid family leave framework of law and policies so that all employees can access leave benefits during times when they need to provide care for a family member.

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

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

Hawaii Women Lawyers supports this measure because it moves forward a system to support women who are the predominant primary caregivers of infants, children, and their aging parents. Paid family leave is also likely to encourage loyalty for women to remain in their careers. This measure will begin the necessary steps to frame and implement a sound family leave policy to protect and preserve Hawaii families' health and financial stability. For this reason, we respectfully request that the Committee pass S.B. 2990, S.D.2.

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

COMMUNITY ALLIANCE ON PRISONS

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

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



COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Aaron Ling Johanson, Chair,

Rep. Daniel Holt, Vice Chair

Tuesday, February 6, 2018

10:00 AM

Room 309

SUPPORT FOR SB 2990 SD2 - FAMILY LEAVE

Aloha Chair Johanson, Vice Chair Holt and Members of the Committee!

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

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

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

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

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

Mason Cooley



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

18 March 2018

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TO: Representative Johanson, Chair
Representative Holt, Vice Chair
Members of the Committee on Labor and Public Employment

FROM: Cynthia J. Goto, Advocacy Consultant with PHOCUSED

SUBJECT: Testimony in Support of SB 2990, SD2: RELATING TO
FAMILY LEAVE

Hearing: Tuesday, March 20, 2018
10:00 AM
Conference Room 309

Chair Johanson, Vice Chair Holt, Members of the Committee on Labor and Public Employment,

Thank you for the opportunity to testify in support of SB 2990, SD2. I am Cynthia Goto, advocacy consultant for PHOCUSED.

PHOCUSED is a nonprofit, nonpartisan organization dedicated to increasing the safety for, visibility of, and investment in the children and adults in Hawaii who are marginalized, impoverished, and under-served. Our organization has been a leading voice in advocating for families since our formation, as the membership of PHOCUSED and our Board of Directors represent many of the major health and human service providers and peer organizations dedicated to serving the vulnerable populations across our state. As such, PHOCUSED is proud to support SB 2990, SD2.

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

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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populations for which PHOCUSED has worked to improve their 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 the progressive wage replacement to ensure that low-income workers are able to access the program. Those who earn less than half of the average weekly wage should receive 90% of their weekly earnings, while middle-income to higher-income workers should receive 75% or 50% of their weekly earnings, with a weekly cap.

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

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

Thank you for the opportunity to submit testimony in support of SB 2990, SD2.

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.

SB-2990-SD-2

Submitted on: 3/19/2018 9:36:32 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

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

Comments:

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

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **SB2990 SD2**, relating to Paid Family Leave; DLIR; Insurance; Board; Report; and an appropriation.

The OCC Legislative Priorities Committee is in favor of **SB2990 SD2** and support its passage.

SB2990 SD2 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers; authorizes the Department to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024; establishes a Paid Family Leave Special Fund; and appropriates funds, effective 7/1/2050.

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

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

SB 2990, SD2 would help working families by requiring the Department of

Labor and Industrial Relations to develop a paid family leave program that would provide:

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

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

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

By creating a comprehensive Paid Family Leave Program, all families and the community will benefit.

Given that **SB2990 SD2** requires the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers; authorizes the Department to adopt interim rules. Establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature; repeals the Board on January 1, 2024; establishes a Paid Family Leave Special Fund; and appropriates funds, effective 7/1/2050, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889

To: Hawaii State House Committee on Labor & Public Employment

Hearing Date/Time: Tuesday, March 20, 2018, 10AM

Place: Hawaii State Capitol, Rm. 309

Re: Testimony in support of S.B 2990 SD2, relating to family leave insurance

Chair Johanson, Vice Chair Holt, and members of the Committee, thank you for the opportunity to share my testimony in **support of SB 2990 SD2**, 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.

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.

I respectfully offer the following amendments:

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

We need to support all our working families in our state. I **support SB 2990 SD2** and respectfully request you pass the measure. Thank you for your consideration and for the opportunity to provide testimony on this matter.



To: COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Hearing Date/Time: Tuesday, 3/20/2018 at 10:00am

Re: TESTIMONY IN SUPPORT OF SB2990 SD2 - RELATING TO FAMILY LEAVE

Dear Chair Johanson, Vice Chair Holt, and members of the Committee,

I would like to thank you for the opportunity to testify in support of SB2990 SD2. This bill would establish an implementation task force with a goal to establish a system by 2020 and **we want to ensure strong support for the timely, comprehensive implementation of a program** that provides an adequate amount of leave. **We strongly recommend an optimal 16 weeks of leave**, putting Hawaii at the forefront of the nation, with a program that would only cost around \$58 per year (\$1.11 per week) to cover a worker making \$48,000 annually.

A thorough actuarial study conducted for Hawaii in 2017 as part of a U.S. Dept. of Labor grant calculated usage, cost, and feasibility of the implementation of a family leave insurance program in Hawaii. The data concluded that family leave insurance is both necessary and cost-effective for workers to take off adequate time to care for their families without facing financial ruin.

Benefit to families:

As more and more states and jurisdictions pass paid leave laws, we want to ensure that Hawaii tracks very closely behind. Our state typically stays ahead of the curve for health status and progressive policies, and Paid Family Leave is one of the single most effective strategies in positively impacting the trajectory of public health. Workers receiving paid leave benefits are also less likely to rely upon other public assistance benefits, such as SNAP and TANF.

Paid parental leave can reduce infant mortality by as much as 10%, according to a 2011 study of 141 countries with paid leave policies. It also increases the likelihood of infants getting well-baby care visits and vaccinations, with one study finding that children were 25.3% and 22.2% more likely to get their measles and polio vaccines, respectively, when their mother had access to paid maternity leave. Without paid leave, there was no increase in immunizations.

Paid parental leave can also reduce incidences of postpartum depression and increase the rate and duration of breastfeeding. A 2011 study in California found that women who had paid leave breastfed twice as long as women who did not take leave. Babies who are breastfed, according to the Centers for Disease Control and Prevention, are less likely to get a variety of infections and are also at lower risk for asthma, obesity and sudden infant death syndrome. There are benefits to mothers, too, as women who breastfeed are less likely to get breast cancer, ovarian cancer, type 2 diabetes and heart disease.

Benefits to businesses:

Paid family leave policy is a great business investment, as it has been shown to reduce employee turnover, boost morale and increase productivity. 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 currently have all of the necessary data to establish paid family leave, and to impede or delay the implementation is a detriment to the families of Hawaii. It is also strongly suggested that the Implementation Board be comprised of individuals with subject matter experience and familiarity with the Hawaii State Paid Family Leave actuarial data.

This policy should, above all, establish a date that the program shall begin disbursing leave benefits and 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.

Progressive wage replacement for lower-income workers is a critical component to accessing a higher percentage of income in order to afford to take leave. Additionally, there should be an opt-in for the self-employed, and 100% eligibility, so ALL Hawaii workers have access to a program with the most affordable premiums, and is transferable if people change jobs or industries.

We stand in support of SB 2990 SD2 and respectfully urge your Committee to consider our comments in moving this bill forward. Thank you for the opportunity to provide testimony.

Sincerely,

Lisa Kimura
Executive Director
Healthy Mothers Healthy Babies Coalition of Hawaii



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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

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

Testimony by
Hawaii Government Employees Association

March 20, 2018

S.B. 2990, S.D. 2 – RELATING TO FAMILY LEAVE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2990, S.D. 2 which requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, establishes a Paid Family Leave Implementation Task Force, mandates the Legislative Reference Bureau to conduct an actuarial analysis, and creates a paid family leave special fund.

It is commonly accepted knowledge that most workers in Hawaii will utilize family leave at some point in their careers to provide much needed care for a loved one. While we have historically supported the passage of a paid family leave program and recognize that it is long overdue, we must prioritize a thoughtful and systematic approach in the program's creation and implementation. No two state paid family leave models are identical and we must collectively consider existing structures and systems to best formulate a plan for Hawaii. The creation of a Paid Family Leave Implementation Task Force, as outlined in the S.D. 2 of S.B. 2990, offers a steadfast solution that ensures all of the stakeholders have a seat at the table to consider the intricacies and long term effects, while at the same time sets firm deadlines to guarantee that the paid family leave program is created no later than 2020.

Thank you for the opportunity to testify in strong support of S.B. 2990, S.D. 2.

Respectfully submitted,

Randy Perreira
Executive Director



Hawai'i

Committee: House Committee on Labor & Public Employment
Hearing Date/Time: Tuesday, March 20, 2018, 10 a.m.
Place: Conference Room 309
Re: Testimony of the ACLU of Hawai'i in Support of S.B. 2990, S.D. 2, Relating to Family Leave

Dear Chair Johanson, Vice Chair Holt, and Committee Members:

The American Civil Liberties Union of Hawai'i writes in strong support S.B. 2990, S.D. 2, which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022. Additionally, the measure would establish the Paid Family Leave Implementation Board to assist the Department and would require the Legislative Reference Bureau to conduct a study on the implementation of paid family leave.

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.

Federal law gives employees of large companies 12 weeks of unpaid leave, but with half of the people in Hawai'i and 59 percent of households with children living paycheck to paycheck,¹ very few people can afford taking days off from work to take care of their loved ones. Instead, workers often must choose between providing essential care to an infant or incapacitated parent and bringing home a paycheck. As Joan Williams has put it, such workers are often “one sick child away from being fired.”²

In Hawai'i, the most vulnerable workers are low-income earners and hourly workers, who are disproportionately Native Hawaiian and Filipino,³ and who are overwhelmingly women.⁴ Nationally, women provide the majority of unpaid care at home, despite also being the primary breadwinner in 40 percent of families with children. For women, having a child without job security is a gamble that can lead to eviction or bankruptcy. Debt accrued during parental leave can take years to shake, making it even harder to break the cycle of poverty and close the income gap. And the risks are only exacerbated for women of color, who earn almost half for every dollar earned by white men — and who are less likely to receive paid family leave than other workers.

¹ Hawai'i Appleseed Center for Law and Economic Justice, *Struggling to Make Ends Meet* at 2-3 (Mar. 2017), available at <http://hiappleseed.org/wp-content/uploads/2016/01/EITC-poll-report.pdf>.

² Joan C. Williams, *One Sick Child Away from Being Fired: When “Opting Out” Is Not an Option*, Work Life Law UC Hastings (2006), available at <http://www.worklifelaw.org/pubs/onesickchild.pdf>.

³ *Id.*

⁴ Talk Poverty, *State Year Report*, Hawai'i statistics (2017), available at <https://talkpoverty.org/state-year-report/hawaii-2017-report/>.

American Civil Liberties Union of Hawai'i
P.O. Box 3410
Honolulu, Hawai'i 96801
T: (808) 522-5900
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S.B. 2990, S.D. 2, will ensure that people in Hawai‘i will no longer have to choose between caring for their loved ones and keeping their jobs. The benefit will have the greatest impact on the state’s most vulnerable workers—women of color and low-income workers. We encourage your Committee to uphold the values of fairness and equal opportunity by passing S.B. 2990, S.D. 2.

Thank you for the opportunity to testify.

Sincerely,



Mateo Caballero
Legal Director
ACLU of Hawai‘i

The mission of the ACLU of Hawai‘i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai‘i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai‘i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai‘i has been serving Hawai‘i for 50 years.



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

**TESTIMONY FOR SENATE BILL 2990, SENATE DRAFT 2, RELATING TO FAMILY
LEAVE**

House Committee on Labor and Public Employment

Hon. Aaron Ling Johanson, Chair

Hon. Daniel Holt, Vice Chair

Tuesday, March 20, 2018, 10:00 AM

State Capitol, Conference Room 309

Honorable Chair Johanson 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 2990, SD 2, relating to family leave.

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

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

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

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

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

Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children, and aging parents. The lack of paid family leave exacerbates the gender wage gap for women and adversely impacts the economic stability of both male and female caregivers.

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

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

We are heartened that this measure was amended to specify that family leave insurance shall be instituted no later than 2020, rather than 2023, to provide a more timely benefit to Hawai'i's workforce. Prior to implementing its own family leave insurance program, New York completed an analysis of how to do so in less than two years. There is no reason that Hawai'i should take more time than New York, given our significantly smaller population size.

It's a stark reality when employees face the dire choice of caring for newborn or sick children, spouses, or parents or working to sustain their family's income. We must offer a smart, affordable solution that empowers workers to care for their families, while saving their jobs.

Sincerely,
Kris Coffield
Executive Director
IMUAlliance



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 2990 SD2 – Relating to Family Leave
House Committee on Labor & Public Employment
Scheduled for hearing at Tuesday, March 20, 2018, 10:00 AM in Conference Room 309

Dear Chair Johanson, Vice Chair Holt, and members of the Committee:

Thank you for the opportunity to testify in SUPPORT of **SB 2990 SD2**, which would require the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers.

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

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

Even the right-leaning American Enterprise Institute has testified in favor of a social insurance program over an employer mandate to purchase private family leave insurance or to self-insure¹:

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

We appreciate your consideration of this testimony.

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

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



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

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

Re: **STRONG SUPPORT for SB 2990 SD2, Relating to Family Leave**

Hrg: March 20, 2018 at 10:00 am at Conference Room 309

Thank you for the opportunity to testify in strong support of SB 2990 SD2, Relating to Family Leave which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022. The measure would also establish the Paid Family Leave Implementation Board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on the implementation of paid family leave.

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

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

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

Paid time off for families to care for a newborn also helps to establish a foundation in breastfeeding. Infant feeding practices can greatly affect later growth and development and can be a protective factor against obesity.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

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).

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

SB 2990, SD2 would help working families by requiring the Department of Labor and Industrial Relations to develop a paid family leave program that would provide:

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

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

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

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

Mahalo,



Jessica Yamauchi, MA
Executive Director, HIPHI

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



ACOG
The American College of
Obstetricians and Gynecologists

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

TO: House Committee on Labor & Public Employment
Representative Aaron Ling Johanson, Chair
Representative Daniel Holt, Vice Chair

DATE: Tuesday, March 20, 2018, 10:00 AM
PLACE: Conference Room 309

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 2990_SD2 – Relating to Family Leave
Position: SUPPORT**

HI ACOG **supports SB 2990_SD2** 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 2990_SD2 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. More and more states are recognizing that communities benefit when families are supported in caring 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 SB2990_SD2.

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.

Helping Hawai'i Live Well

To: Representative Aaron Johansen, Chair, Representative Daniel Holt, Vice Chair, Members, House Committee on Labor and Public Employment

From: Trisha Kajimura, Executive Director

Re: TESTIMONY IN SUPPORT OF SB 2990 SD2, RELATING TO FAMILY LEAVE, Requesting Amendments

Hearing: March 20, 2018, 10:00 am, CR 309

Thank you for hearing **Senate Bill 2990, SD2**, which would enable workers to take paid time off during major life events. We support 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, 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 should 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 should be 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.

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

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

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 2990 SD2**. Please contact me at trisha.kajimura@mentalhealthhawaii.org or (808)521-1846 if you have any questions.



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

Executive Officers

Beau Oshiro, C&S Wholesale Grocers, *Chair*
John Erickson, Meadow Gold Dairies, *Immediate Past Chair*
Toby Taniguchi, KTA Superstores, *Vice Chair*
Lauren Zirbel, HFIA, *Executive Director*
Joe Carter, Coca-Cola Bottling of Hawaii, *Secretary / Treasurer*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
John Shilf, Rainbow Sales & Marketing, *Advisor*
Barry Taniguchi, KTA Superstores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*

TO:
Committee on Labor and Public Employment
Rep. Aaron Ling Johanson, Chair
Rep. Daniel Holt, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: Tuesday, March 20, 2018
TIME: 9am
PLACE: Conference Room 309

RE: SB 2990 Relating to Family Leave

Position: Comments

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

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

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

The current makeup of the Family Leave Implementation Board described in this bill has three members from the business community and 15 other members. **If the legislature wants to ensure that the plans and recommendations made by the board are functional and possible for businesses to implement there must be more equal and fair representation**

of Hawaii's businesses on the board. We recommend that roughly half the board be made up of members of our business community since these are the people who will ultimately be responsible for implementing, administering, managing, and paying for any family leave program.

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

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



March 20, 2018

To: Representative Aaron Ling Johanson, Chair
Representative Daniel Holt, Vice Chair and
Members of the Committee on Labor and Public Employment

From: Jeanne Y. Ohta, Co-Chair

RE: SB 2990 SD2 Relating to Paid Family Leave
Hearing: Tuesday, March 20, 2018, 10:00 a.m., Room 309

POSITION: Strong Support

The Hawai'i State Democratic Women's Caucus writes in strong support of SB 2350 SD2 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.

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

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 is 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.



Hawaii Women's Coalition

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Aaron Ling Johanson, Chair

Rep. Daniel Holt, Vice Chair

DATE: Tuesday, March 20, 2018

TIME: 10:00 AM

PLACE: Conference Room 309

STRONG SUPPORT FOR SB2990 that would create Family Leave Insurance for the state of Hawaii

Aloha Chair Johanson, Vice Chair Holt and members,

The Coalition is in strong support of this measure. As advocates for women we understand that women are still the primary caregivers for family members from newborns, to sick children, to aging parents.

Caregiving too often places women in the untenable position of having to choose between their job and their family member(s). 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: annsfreed@gmail.com Phone: 808-623-5676

Date: March 20, 2018

To: The Honorable Aaron Ling Johanson , Chair
The Honorable Daniel Holt, Vice Chair
House Committee on Health and Human Services

From: NASW Hawai'i Chapter

RE: Testimony in Support of SB 2990 SD2

Chair Johanson, Vice Chair Holt, and members of the House Committee on Labor & Employment,

The National Association of Social Workers- Hawaii (NASW-Hawai'i) strongly supports SB 2990 SD1, family leave insurance allows workers to take time off during critical life events and helps business to retain these employees.

The recent studies of the feasibility of implementing a family leave program in Hawaii show that the annual cost of covering 16 weeks of leave for a worker making \$48,000 would be approximately \$58 annually.

With an increasing ageing population in the state, this would allow the 247,000 workers who care for older relatives time to deal with health crises.

Family leave also promotes gender equity. Women are disproportionately impacted by the lack of paid family leave as they are usually the primary caregivers of infants, children, and ageing parents. Not having paid family leave exacerbates the pay gap for women.

Sonja Bigalke-Bannan, MSW, LSW
Executive Director
National Association of Social Workers, Hawai'i Chapter

SB-2990-SD-2

Submitted on: 3/19/2018 12:05:30 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Irish Barber	IATSE Local 665	Support	No

Comments:

SB-2990-SD-2

Submitted on: 3/19/2018 9:31:59 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jillian Yasutake	Individual	Support	No

Comments:

I submit this testimony in strong support of SB2990 SD2.

Contrary to what many would presume as an entitlement, a Paid Family Leave Law resonates more with the highly touted anti-poverty law, the Earned Income Tax Credit, which provides tax incentives to working families. Similarly, a Paid Family Leave Law would help working families by providing a safety net during tough economic times.

During my limited yet ongoing career in workforce development, working with both the State Department of Labor and Industrial Relations and the University of Hawaii Community Colleges, I have heard time and again how difficult it is for employers to retain good employees and the high costs of training incurred by employers. Bottom line, employee turnover is costly. What Hawaii employers and small-business owners may be delighted to find, like many businesses reported in California, is that a Paid Family Leave Law can actually reduce turnover, increase retention and ultimately result in more cost-savings for businesses.

Lastly, with the Tourism, Hospitality and Service Industries as Hawaii's largest economic drivers, you will find many working families part of that workforce. However, wait staff, housecleaners and various other positions that make up this workforce are often times left out in the cold when it comes to paid leave. In 2016, Accommodation and Food Services (16.4%) made up the second largest employment sector in Hawaii, just after Government (18.9%). The annual average wage of Accommodation and Food Services workers were among the lowest wages of all sectors at \$31,999/year. That salary is barely enough to pay Hawaii's average monthly rent of a two-bedroom apartment (\$2,453), let alone provide any savings for a worker to take time off to care for a newborn or ailing family member. Paid leave would support hard working families who are living paycheck-to-paycheck.

I respectfully urge you to pass SB2990 SD2 and thank you for the opportunity to provide testimony on this measure.

Sincerely, Jillian Yasutake

SB-2990-SD-2

Submitted on: 3/15/2018 8:01:47 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Individual	Support	No

Comments:

SB2990 SD2 - RELATING TO HEALTH INSURANCE
Hawaii Senate Committee on Labor and Public Employment
MARCH 20, 2018 - 10:00PM
CONFERENCE ROOM 309

Dear Chair Johanson and Members of the Committee,

My name is Jennifer Hsu and I first would like to thank the Committee for the opportunity to testify in **support** on Senate Bill No. 2990 SD2. Paid family leave is an important aspect that is integral to our society, especially with the rising amount of kupuna needing assistance. It is important to our Ohana as the cost of living is extremely high. In addition, new mothers need to have quality time to recover and spend time with their newborns. This also applies to new fathers, who typically are unable to take paid family leave, or are forced to use their earned vacation days. There are studies linking the health benefits of breastfeeding among newborns. We must take into consideration the new generation as they will be the ones leading our future.

Aside from the moral argument in support of it, there are also evidence that implementing paid family leave is practical in Hawai'i. An analysis conducted by top experts in the area of family leave found that paid family leave is necessity and found that the annual cost to cover 16 weeks of paid leave would merely be \$58 per employee making around \$48,000. This is a small price to pay in return for reduced turnover rates, boosted morale, and increased productivity. Employees receiving paid leave are also less likely to rely on other public assistance benefits.

This bill would give employees a sense of comfort and the opportunity to spend time with their loved ones with crises arise. I respectfully ask for your support of Senate Bill No. 2990 SD2: Relating to health insurance. Thank you for this opportunity to provide testimony on this important measure.

SB-2990-SD-2

Submitted on: 3/18/2018 1:06:59 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shay Chan Hodges	Individual	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.

I support SB 2990, SD2, which would help working families by requiring the Department of Labor and Industrial Relations to develop a paid family leave program that would provide:

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

As you know, 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 Hawaii’s current economy, both families and small businesses are stretched thin. This Paid Family Leave Insurance law would provide much needed support for individuals who need time off to care for themselves or their ohana, as well as for their employers, who need to be able to retain employees in the long term, but who might not otherwise be able to provide this crucial benefit – especially smaller businesses on the neighbor islands.

Interestingly, in discussing the results of this study with various Hawaii residents, both parents and employers have said that they would be willing to take responsibility for the full \$60 per year per person for a Family Leave Insurance program because of the low cost of such a crucial benefit.

I am very heartened by the fact that the Hawaii State Legislature has shown such strong support of a Paid Leave Insurance Program this session. To further strengthen this measure, I respectfully request the Committee to amend the bill to add the following:

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

I urge you to pass the Family Leave Insurance bill, with the amendments suggested, thereby supporting women, parents, and businesses so that we can create the economy of the future that this state so sorely needs.

Mahalo.

Shay Chan Hodges

Haiku, Maui, Hawaii

SB-2990-SD-2

Submitted on: 3/16/2018 4:41:48 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
R. Kinslow	Individual	Support	No

Comments:

#SupportOurPeople. This bill helps our island people weather the financial and health storms that happen as they work.

SB-2990-SD-2

Submitted on: 3/17/2018 11:08:20 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

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

Comments:

I am providing testimony to support SB2990. Working families need to support from their employers.

SB-2990-SD-2

Submitted on: 3/19/2018 8:21:15 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Monk	Individual	Support	No

Comments:

Thank you Chair, Vice Chair and members of the House Committee on Labor, for allowing me to add comments in SUPPORT of SB2990 SD1

As proposed, Family Leave Insurance will have no cost taxpayers. Insured employees will fund the insurance payout.

The 1993 Family and Medical Leave Act only provides time off, no wage replacement. Single parents and two-income families can't afford to use this provision of the law. By paying about \$1 per week into a family leave insurance system, workers will be able to receive progressive wage replacement, low income workers receive a higher percentage of wages, and will be able to afford take time off for the birth of a baby or for the illness of a parent.

The US Dept of Labor funded, 1-year study for Hawaii, completed in 2017 by well-regarded national experts should be used as a reference for establishing such a system.

Testimony List
SB 2990 – SUPPORT

Colin Moore
Randy Ching
Younghee Overly
Ann Freed
Dawn Morais Webster
Patricia Gozemba
Genie Jane Reutirez
Lea Minton
Breastfeeding Hawaii
Nate Hix
Stephanie Austim
David Gierlach
Shelley Waiau
Judith Anderson
Shirley Yamauchi
David Negarrd
Rosemary Summers
Justin Hughey
Pana Kia
Kelly Morrow
Alex Fedarcyk
Lynn Robinson Onderko
Kimberly McDonald
Kathleen Gauci
Javzandulam Azuma
Joyce Finlay
Judith Armstrong
Erica Yamauchi
Jesse Singleton
Kenny Lopez
Kenisha Strong
Paul Gauci
Kai Steuer
Brian Boehne

I am writing in strong support of SB 2990, SD2, which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022. The measure would also establish the Paid Family Leave Implementation Board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on the implementation of paid family leave.

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

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

SB 2990, SD2 would help working families by requiring the Department of Labor and Industrial Relations to develop a paid family leave program that would provide:

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

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

- A guarantee of sixteen (16) weeks of paid family leave
- A broad definition of family, including a process by which a covered individual may designate a non-relative as family for purposes of caregiving

- A requirement that the program operate as social insurance

By creating a comprehensive Paid Family Leave Program, all families and the community will benefit

SB-2990-SD-2

Submitted on: 3/19/2018 1:01:37 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Mather	Individual	Support	No

Comments:

SB 2990

SD-2

LATE

TESTIMONY



Tyler Roukema, Chairman – Outback Steakhouse **Kelii Gouveia, Incoming Chair** – Hula Grill
Hide Sakurai, Vice Chair – Diamond Dining **Dirk Koeppenkastrop, Secretary** – Il Gelato
Ben Dowling, Treasurer – Ocean House **Michael Miller, Past Chair** – Tiki's Grill & Bar

Gregg Fraser, Executive Director **Sunny Obrey**, Executive Assistant **Holly Kessler**, Director of Membership Relations

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To: Rep. Aaron Ling Johanson, Chair
Rep. Daniel Holt, Vice Chair
Members of the Committee on Labor & Public Employment

From: Victor Lim, Legislative Chair

Subj: SB2990 SD2 Relating to Family Leave

Date: March 19, 2018

LATE

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

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

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

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

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

Aloha.



SB-2990-SD-2

Submitted on: 3/19/2018 2:03:12 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tiffany Peek	Planned Parenthood Generation Action	Support	No

Comments:





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Fax: (808) 945.0019
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Testimony to the House Committee on Labor & Public Employment
Tuesday, March 20, 2018; 10:00 am
State Capitol, Room 309

Testimony on Opposition to SB 2990 SD2 – Relating to Family Leave

To: The Honorable Aaron Johanson, Chair
The Honorable Daniel Holt, Vice-Chair
Members of the Committee

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

We are in opposition to SB 2990 SD2. While we appreciate and understand the intent of this bill to allow for various types of paid leave in the workplace, we are concerned about the cost, management, and oversight of such a system. Many employers already offer generous paid leave packages to employees. Having a requirement in the law such as this may have an unintended, adverse effect on employees who already receive paid leave through their employer. This bill may also be a hardship upon small businesses.

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

Thank you for the opportunity to testify.

LATE



Testimony to the House Committee on Labor & Public Employment
Tuesday, March 20, 2018
10:00 am
State Capitol, Room 309

LATE

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RE: SB 2990 SD2 – Relating to Family Leave

Chair Johanson, Vice-Chair Holt, & members of the Committee:

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

We are in opposition to S.B. 2990 SD2, which would require the Department of Labor and Industrial Relations to adopt rules by 1/1/2020 that establish paid family leave for all workers. This bill also authorizes the Department to adopt interim rules, establishes the Paid Family Leave Implementation Board to assist the Department and report to the Legislature, and establishes a Paid Family Leave Special Fund.

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

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

We are opposed to S.B. 2990 SD2, and appreciate the opportunity to express our views on this matter.



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

Re: SB 2990 SD2 Relating to Family Leave

Good morning Chair Johanson and members of the House Committee on Labor and Public Employment. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

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

The Retail Merchants of Hawaii understands the intent of SB 2990 SD2 to require the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020, authorizes DLIR to adopt interim rules and establishes the Paid Family Leave Implementation Board to assist DLIR and report to the Legislature.

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

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

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

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

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



3610 Waiialae Ave • Honolulu, HI 96816



(808) 592-4200



tyamaki@rmhawaii.org

SB-2990-SD-2

Submitted on: 3/19/2018 6:21:31 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Golojuch	Rainbow Family 808	Support	No

Comments:

Thank you for hearing this Family Bill for Paid Family Leave. This bill will help families form a stonger bond that is a foundation for caring families. This foundation will encourage the families to show that they care for their families. Rainbow Family 808 is a non-profit that stands up for Social Justice to all family members. SB 2990 SD2 is a start to tell families that we value good families, families that take an interest in each other, especially about their good health. Rainbow Family 808 takes produce and dairy to Homeless Youth, who are throw out of their homes or run away from abuse. Paid Family Leave will support families so they can take the children to doctors, dentist and stay home when their children are sick. This is one way to support Social Justice with families.

There is evidence that when parents take sick children to a Nanny, Pre-School or regular school, they spread the germs, cold, flu, measles, etc which infects the other children and the teachers and care givers. We can cut down of the ripple effect that comes with contagious diseases.

Paid Family Leave in a long range, saves employers lost productivity as well! Please past this bill and support not only the employee but their families as well.

LATE



Aloha e Chair Johanson, Vice Chair Holt, and Members of the House Committee on Labor and Public Employment,

The Hawai'i State Commission on Fatherhood strongly supports the passage of SB 2990, which would benefit Hawai'i's parents, children, and the families of our State by establishing the framework for a limited amount paid family leave for the people of Hawai'i. The Commission recently voted unanimously to support SB 2990, and other legislation that would help Hawai'i move closer to providing Hawai'i families with the support they need while they care for their keiki, their kupuna, and their partners.

The Hawai'i State Commission on Fatherhood is an all-volunteer commission established by the State for the purposes codified in Hawai'i Revised Statutes, Chapter 557-E. Our duties include the identification of obstacles that limit the involvement of fathers in the lives of their children, and recommending policies and practices regarding fathers and their children. With respect to both of these duties, we urge the Legislature to establish a paid family leave program.

Various studies have found that paternity leave is strongly correlated with more active parenting by fathers, and more active father-to-mother caregiving following the birth of the child. Numerous studies indicate that these benefits last long after paid leave has ended. In fact, the weeks immediately following birth appear to be a unique window of opportunity where couples set their roles and habits, including fathers establishing their level of activity with their children. Relatedly, active fatherhood is associated with virtually every positive socio-economic outcome, include high educational attainment, employment, healthy lifestyles, and self-esteem. Indeed, facilitating active fatherhood may be one of the most effective ways to address socio-economic challenges over the long term, and meaningful parental leave may be one of the most powerful ways to do so.

Unfortunately, Hawai'i's cost of living, especially for parents with young children, makes parental leave uniquely difficult for our State's families. Many fathers are quick to forego meaningful paternity leave in order to provide financially for their families. Fathers should not have to choose between paying their bills and engaging in a behavior that is highly beneficial to their children, partners and society in the long run. Please pass SB 2990, so that our State can live up to the values we hold dear of caring for our partners, those we bring into the world, and those who brought us here.

Sincerely,

Kawika

Kāwika Riley
Chairman
Hawai'i State Commission on Fatherhood

LATE



House Committee on Labor & Public Employment
Hawai'i Alliance for Progressive Action supports: SB 2990 SD2

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Cade Watanabe

I am writing on behalf of the Hawai'i Alliance for Progressive Action (HAPA) in strong support of SB 2990, SD2, which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022. The measure would also establish the Paid Family Leave Implementation Board to assist the Department, and would require the Legislative Reference Bureau to conduct a study on the implementation of paid family leave.

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

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

SB 2990, SD2 would help working families by requiring the Department of Labor and Industrial Relations to develop a paid family leave program that would provide:

- Universal coverage – all people and employers would participate in the system
- Job Protection – if a person is not guaranteed a job upon completion of the leave, they likely will not take the leave



- Progressive Wage Replacement – Many families live paycheck to paycheck and would never be able to take time off if unpaid or if paid only a small percentage of their usual wages.

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

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

By creating a comprehensive Paid Family Leave Program, all families and the community will benefit.

Mahalo,

Anne Frederick, Executive Director
Hawaii'i Alliance for Progressive Action

LATE



Testimony to the
House Committee on Labor & Public Employment
March 20, 2018
10 a.m.
State Capitol - Conference Room 329



RE: SB 2990, SD2, Relating to Family Leave

Aloha Chair Johanson, Vice Chair Holt 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 2990, SD2, relating to family leave. Requires the Department of Labor and Industrial Relations to establish paid family leave for all workers by 1/1/2020 and authorizes the department to adopt interim rules. It establishes the paid family leave implementation board to assist the department and report to the Legislature. Establishes a paid family leave special fund.

SHRM Hawaii has a long-standing position in favor of workplace flexibility initiatives. 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.





Dear Chair Johanson, Vice Chair Holt, and Members of the Committee,

On behalf of our members, we testify in strong support of SB 2290. The United States is the only developed nation that does not provide paid family leave. Many other States have passed a variety of models so we know that such legislation can be achieved at the State level.

Passing SB 2290 will give young people more freedom to start their own businesses, work for a start-up, or pursue a career in the ever growing gig economy. Young people would have the option to pursue our dreams rather than trying to find a job that will not terminate you if you take maternity leave or want to be a supportive father and care for your partner and child. Paid family leave will mean that we won't have to worry about paying bills if a parent's health is failing and we need to leave work to attend to them.

We are very satisfied that this bill contains progressive wage replacement. If people are already living paycheck to paycheck, a progressive wage replacement is essential for such individuals to be able to take paid family leave.

This bill would help businesses as such a pool of funding would offset the cost of providing family leave. In addition, if this bill is implemented correctly it should reduce the need for women to take disability for the purposes of pregnancy.

To further strengthen this bill we support increasing the guarantee of leave to 16 weeks and a broader definition of "family" that covers non-blood relatives.

Thank you for allowing me to testify.
Cameron Sato
Hawaii Chapter Co-Chair
Young Progressives Demanding Action

LATE

LATE

SB-2990-SD-2

Submitted on: 3/19/2018 2:38:12 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeannine	Individual	Support	Yes

Comments:

As the chair of the YWCA Advocacy Committee a member of its board, I am writing in strong **support of SB 2990 SD2** to establish a paid family leave insurance policy.

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

I respectfully offer the following amendments to this bill:

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

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

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

Thank you for your consideration.

Sincerely,

Jeannine Souk

LATE

SB-2990-SD-2

Submitted on: 3/19/2018 1:53:04 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ELIZABETH A HILLER VALENTIN	Individual	Support	No

Comments:

Aloha,

Thank you for the opportunity to share my testimony in **support of SB 2990 SD2**, 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.

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.

I respectfully offer the following amendments:

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

Mahalo nui for your consideration,

Annie Valentin

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

SB-2990-SD-2

Submitted on: 3/19/2018 4:09:19 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael L Inouye	Individual	Support	No

Comments:

I want to support the passage of SB2990 because we need to adequately compensate the people who are literally creating the future workforce of Hawaii and help to support the people who care for the most vulnerable among us. It will help mothers, fathers, caregivers, and our keiki.

LATE

March 19, 2018

Brooke A. Conway
1918 Manoa Rd.
Honolulu, HI 96822

LATE

Dear Committee on Labor & Public Employment:

I would like to offer my strong support for SB 2990, SD2 - Relating to Family Leave, which would require the Department of Labor and Industrial Relations to establish paid family leave for all workers by 2020, with workers receiving benefits by 2022, and a paid family leave implementation board.

As a full-time working professional mother who is currently taking unpaid leave to care for my newborn child, I cannot stress how important passing this bill is for Hawaii's families, particularly those working lower wage jobs. Right now as you are deliberating this bill, there are families in our state who are struggling to make ends meet and are grappling with the decision to return to work because they cannot afford to take time off to tend to their child, elderly family member, or spouse.

Not only is unpaid family leave a financial security issue for working families, but also a gender equity issue, as the financial impact of unpaid leave is much more likely to impact women in the workforce than men. It stagnates our wage earning potential, widens the gender pay gap, and threatens the financial safety of our families.

Hawaii has one of the highest costs of living and housing in our nation. It is unconscionable that our state does not provide these essential benefits to working families who help keep our economy and community afloat. Passing this bill would retain job security, lessen the financial strain of caretaking, and help our families thrive.

I respectfully urge you to pass this bill that will benefit all families in our community.

Mahalo,

Brooke A. Conway

SB-2990-SD-2

Submitted on: 3/19/2018 6:38:24 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

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

Comments:



LATE

SB-2990-SD-2

Submitted on: 3/19/2018 9:44:25 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Chang	Individual	Support	No

Comments:

LATE

SB-2990-SD-2

Submitted on: 3/19/2018 10:45:52 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph O'Brien	Individual	Support	No

Comments:

[Paid Family Leave Now!](#)

[Please Support SB 2990](#)

Thank you,

Joseph O'Brien

Nuuanu

LATE

SB-2990-SD-2

Submitted on: 3/19/2018 11:05:18 PM

Testimony for LAB on 3/20/2018 10:00:00 AM

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

Comments:

My family's situation is fairly typical, in the sense that, my dad is a government employee, working for the DOD, and my mom is a stay-at-home mom. We are financially stable and have a decent life. The difference is my sister who has a wide variety of medical problems consisting of down syndrome and a tracheostomy tube. Throughout her life, she has had countless medical emergencies in which case, my dad is forced to take days off, or he has to dip into his designated extended leave of 14 consecutive days. The leave he earns is finite, but there is no way to anticipate how much time is needed to take off for my sister's medical care. This is where the problem arises. His earned, paid leave days are limited, but the days my sister is in need and my mom support is a necessity are unexpected and aren't limited. Paid family leave for all workers should be adopted for precisely these unusual circumstances. From my personal family experience, I don't support this bill because the United States is the only industrialized country not to do so, but because it is right; and with proper checks, it becomes unlikely to be abused.

LATE

SB-2990-SD-2

Submitted on: 3/20/2018 12:04:28 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

LATE

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

Comments:

I am writing in strong support of SB2990 SD1, which would establish a paid family leave program in Hawaii.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Please pass SB2990 SD2 - or a substantially similar draft, not only as a measure to achieve greater fairness and equity in the workplace, but because it improves the economics and vitality of our community.

Thank you,

Becky Gardner

LATE

SB-2990-SD-2

Submitted on: 3/20/2018 1:11:20 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Support	No

Comments:

Dear Chair Johanson and Vice Chair Holt, Chair Luke and Vice Chair Cullen and LAB/FIN committee members,

I strongly support SB2990 SD2 to provide paid family leave to State workers.

This bill will benefit families with newborns and/or young keikis, families with kupunas needing care and families with emergency care needs.

Most developed countries (and a few states) have recognized the need to support families in this way. [Five states—California, Rhode Island, Washington, New Jersey, and New York—and the District of Columbia have laws that provide paid family leave.] It is time that Hawaii recognize the need for a comprehensive paid family leave plan for employees.

I recommend that Hawaii study the pros and cons of the programs in place in the above states in order to develop the best possible plan for our state. It really does take a village to raise a child. Paid family leave is one important way our "village" can help our families weather the stresses of modern life in Hawaii.

Thank you for your consideration of SB2990 SD2.

Sincerely,

Jan Pappas

Aiea, Hawaii

SB-2990-SD-2

Submitted on: 3/20/2018 7:47:10 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments:

Strongly Support!

40 million Americans are living in poverty, including many in Hawai'i. We need every tool to turn this around now. Please pass SB 2990.

LATE

SB-2990-SD-2

Submitted on: 3/20/2018 8:41:33 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	LGBT Caucus of the Democratic Party of Hawaii	Support	Yes

Comments:

LATE

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SB-2990-SD-2

Submitted on: 3/20/2018 9:44:27 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

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

Comments:

Good morning,

I am writing in order to convey my support for the SB 2990 bill relating to family leave. As a young adult, hoping to start own family in a near future, I am extremely worried that I would have to sacrifice the financial stability in order to care for my newborn child; and on top of that, bring a new life into financially challenged household. Working 2 jobs, one full time and one part time at the moment, does not provide me with enough funding to plan for several weeks of unemployment that comes with paternity leave; unfortunately, this is too often the struggle of middle class millennials. Additionally, with aging parents and grandparents there comes a responsibility to care for them when they aren't longer able to do so. Since, my immediate family all resides in Poland, I would need to take extended leave to care for my family members in case of emergency and still be able to provide for my expenses (rent, bills, etc.) here in the United States. That would risk a financial disaster for me; and noone should ever need to pick between caring for sick loved ones and the roof over their own head.

I appeal for your support in passing of this crucial piece of legislation. States such as California, Rhode Island, Washington, New Jersey, New York and the District of Columbia have already passed laws that provide paid family leave for their residents; it's time Hawai'i joins that group!

Mahalo,

Kinga Wojtas

SB-2990-SD-2

Submitted on: 3/20/2018 9:47:43 AM

Testimony for LAB on 3/20/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shinju Oh	Individual	Support	No

Comments:

We need paid family leave. Many working people have family and they work for their families. Why they cannot have paid family leave? Why they cannot spend time with them? For example, Japan is famous for working hard county, but the coupnies determind paid leave family. They know they need rest and time to stay home with their families.

Take rest is not embarrassing thing. It is important thing to have good life.

LATE

Dear Chair Johanson, Vice Chair Holt, and Members of the Committee:

I would like to thank the Committee for the opportunity to testify in SUPPORT of S.B. 2990, which would create a family leave program and implementation board for our state.

Almost a year ago, my husband and I were overjoyed to welcome our baby girl, Quinn Recktenwald, to our family. She was a sweet, calming presence in a house filled with boys. She had a quiet, little soul that was content just to be held. Our lives were truly complete. Unfortunately, with this new joy comes the stress of affording to take 'maternity leave'. My employer doesn't have any 'maternity leave' and makes it extremely difficult to qualify for temporary disability, although we can exhaust our sick and vacation time while using the Family and Medical Leave Act. Unfortunately, my sick and vacation time ran out just 6 weeks after Quinn's birth and it was not financially possible for me to go without pay for more than another 2 weeks. For these reasons, along with the pressures that many working moms feel, I had to return to work much sooner than a mother and child are ready to part.

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

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

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

Thank you,

Jessica McDonald