



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
In Support of HB 284 – Relating to Health
House Committee on Labor & Public Employment
Tuesday, February 5, 2019, 9:30 AM, conference room 309

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

Mahalo for this chance to submit testimony in SUPPORT of **HB 284**, which would require the Department of Human Services to compile information regarding employers with employees who receive public assistance and submit an annual report to the Legislature on the 50 employers with the highest number of employees receiving public assistance.

We support this bill because when Hawai'i residents can't make ends meet, that not only harms workers and their families – but it also costs taxpayers.

National big-box retailers send the profits that they make here in Hawai'i out of state, while leaving taxpayers to pick up the tab, as taxpayer-funded public benefit programs make up the difference between low wages and the costs of basic needs.

The possibility that a higher minimum wage and larger tax credits for low-wage workers may reduce public spending has great relevance to both the public and policymakers. That's why we urge you to pass HB 284.

We appreciate your consideration of this testimony.

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

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



SCOTT T. MURAKAMI
DIRECTOR

LEONARD HOSHIJO
DEPUTY DIRECTOR

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

830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813

www.labor.hawaii.gov

Phone: (808) 586-8844 / Fax: (808) 586-9099

Email: dlir.director@hawaii.gov

February 04, 2019

To: The Honorable Aaron Ling Johanson, Chair,
The Honorable Stacelynn K.M. Eli, Vice Chair, and
Members of the Committee on Labor and Public Employment

Date: Tuesday, February 05, 2019
Time: 09:30 a.m.
Place: Conference Room 309, State Capitol

From: Scott T. Murakami, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 284 RELATING TO HEALTH

I. OVERVIEW OF PROPOSED LEGISLATION

This proposal seeks to add a new section to chapter 346, Hawaii Revised Statutes (HRS), requiring the Department of Human Services (DHS) to compile information regarding employers with employees who receive public assistance. It requires DLIR to assist the DHS in the form of sharing employment data to achieve this purpose.

The Department offers comments on the measure and defers to DHS on its capability to provide the information as outlined in the proposal.

II. CURRENT LAW

The current law does not require DHS access to Unemployment Insurance (UI) data as proposed in this measure.

III. COMMENTS ON THE HOUSE BILL

DLIR supports the intent of this bill and is willing to work with DHS to determine how the legislative purpose can be achieved within the statutory disclosure provisions contained in Chapter 383, HRS, and within cost or resource restrictions. The U.S. Department of Labor (U.S.DOL) has long interpreted methods of administration to

require the confidentiality of UI information and to follow the Congressional mandate that UI information be used only for the purpose for which it is directed. According to HRS §383-95 and HAR §12-5-211 to §12-5-220, disclosure of information from workers, employers, or other persons or groups in the course of administering the state employment security program shall be held confidential and shall not be disclosed unless authorized requesting agencies have entered into a written agreement with the Department.

Should this proposal be enacted, an information sharing agreement with DHS would be required to satisfy its limited purposes. As a condition for the data exchange, DHS would have to provide relevant recipients' personal identifying information to crossmatch against the DLIR-UI employer and wage records. All expenses associated with providing the data must be reimbursed by the requesting agency in accordance with federal requirements.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

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

February 4, 2019

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 284 – RELATING TO HEALTH**

Hearing: Tuesday, February 5, 2019, 9:30 a.m.
Conference Room 309, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of the measure and offers comments.

PURPOSE: The purpose of the bill requires DHS to compile information regarding employers with employees who receive public assistance. Requires DHS to submit an annual report to legislature on the 50 employers with the highest number of employees receiving public assistance. Requires the Department of Labor and Industrial Relations (DLIR) to share employment data.

DHS agrees that understanding and containing the state's health care costs are issues that the Legislature and the public would benefit from a deeper understanding, in addition to appreciating the complexities of underemployment, poverty wages, and economic impacts on society, business, and the state budget.

We are currently testing to see if we can generate the information from KOLEA, our Med-QUEST division (MQD)'s on-line application and eligibility system, to develop a report of employers of Medicaid recipients.

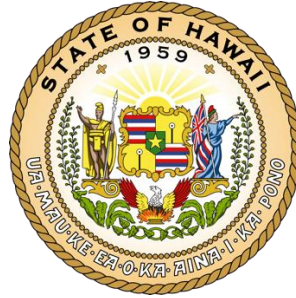
However, we are not currently able to run a report for all public benefit programs. We are currently in the design phase of the Benefits Enterprise Solution (BES), which is the

department's 2nd phase of the major investment in DHS IT systems and once completed, BES will serve the financial and SNAP programs of the department's Benefits, Employment & Support Services Division, and be integrated with MQD's KOLEA. However, as previously reported, the name of the recipient's employer is not a factor in eligibility determination for BESSD programs, so we will need to consider how to meet this need.

We may need to provide the legislature with additional resource needs as session progresses, and will likely request an effective date that will allow us enough time to build and implement the capability to run the requested report for all benefits.

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

LATE



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

Prepared for the House Committee on LAB

In Support of HB284
Tuesday, February 5, 2018 at 9:30 a.m. in Room 309

Dear Chair Johanson, Vice Chair Eli, and Honorable Members,

The Hawai'i State Commission on the Status of Women wishes to mahalo you for the opportunity to testify in **support** of HB284, which would require the Department of Human Services to compile information regarding employers with employees who receive public assistance. It would also require the Department of Human Services to submit an annual report to the Legislature on the 50 employers with the highest number of employees receiving public assistance.

The Commission is administratively attached to the Department of Human Services, which provides basic necessities to over 300,000 Hawai'i residents. The Department cannot successfully promote healthy, sustainable communities while wealthy corporations undercut the basic survival of workers and remain extensively reliant on taxpayers. We also cannot manage what we cannot measure. The state's anti-poverty policies need data to examine any disproportionate reliance on public assistance programs. A growing number of states, blue to red, such as Kansas, Arizona, Washington, and Ohio, are now collecting data on corporations that exploit public assistance to generate profit, and enacting policies to encourage the self-sufficiency of wealthy corporations.

Mahalo,

Khara Jabola-Carolus