



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

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

Before the
Senate Committee on Labor, Culture and the Arts
January 31, 2019
3:00 p.m., Conference Room 224

In consideration of
Senate Bill No. 789
RELATING TO MINIMUM WAGE

Chair Taniguchi, Vice Chair Ihara, and committee members:

Thank you for the opportunity to provide comments in Support for **Senate Bill 789** which increases the minimum wage to \$12.00 per hour beginning 1/1/2022.

Currently, there is a significant difference between the minimum wage and what is needed to afford basic needs in Hawaii. Increasing the minimum wage will raise the quality of life of our residents, help to reduce poverty, and increase economic activity. The Governor is committed to closing this wage gap so that all residents can choose to call Hawaii home.

Although the Governor supports any increase of the minimum wage, the administration would prefer Governor's package bill SB1248 which would gradually increase the minimum wage to \$15.00 per hour by 2024. It would also provide an income tax credit for qualifying businesses to offset the impact of increasing the minimum wage.

We defer specific comments to testimony submitted separately by the Department of Labor and Industrial Relations.

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



STATE OF HAWAII

January 31, 2019

To: The Honorable Brian T. Taniguchi, Chair,
The Honorable Les Ihara, Jr., Vice Chair, and
Members of the Senate Committee on Labor, Culture and the Arts

Date: Thursday, January 31, 2019
Time: 3:00 p.m.
Place: Conference Room 224, State Capitol

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

Re: S.B. No. 789 RELATING TO MINIMUM WAGE

I. OVERVIEW OF PROPOSED LEGISLATION

SB789 amends the Wage and Hour Law (Chapter 387, Hawaii Revised Statutes [HRS]), to increase the minimum wage rate to \$12.00 an hour on January 2, 2022.

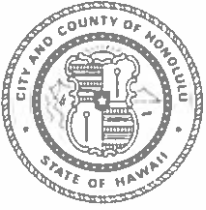
DLIR supports the intent of this measure.

II. CURRENT LAW

The current minimum wage is \$10.10 per hour. Act 82 (SLH, 2014) incrementally increased the minimum wage from \$7.25 to \$10.10 an hour in four consecutive years (2015-2018).

III. COMMENTS ON THE SENATE BILL

The Department supports the intent of an increase in minimum wage but suggests that the Administration's proposal (SB1248) is the better vehicle to increase the minimum wage rate. SB1248 strikes the balance between labor and business by raising the quality of life for many Hawaii families while offsetting the impact on small businesses.



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Council Vice Chair
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WRITTEN TESTIMONY ONLY

TESTIMONY OF
COUNCIL CHAIR EMERITUS & VICE CHAIR RON MENOR
COUNCIL DISTRICT 9
CITY AND COUNTY OF HONOLULU

Senate Bill 789
RELATING TO MINIMUM WAGE

Chair Taniguchi, Vice Chair Ihara and Members of the Senate Committee on Labor, Culture and the Arts:

I am testifying in support of Senate Bill 789.

The City Council unanimously approved yesterday Council Resolution 19-1:

Requesting the Legislature of the State of Hawaii to Move Forward to Increase the State Minimum Wage to a Living Wage.

Hawaii's cost of living is the highest of any of the 50 states or Washington, D.C., according to the Missouri Economic Research and Information Center. Honolulu has the third highest cost of living among 268 urban areas in the United States, after only San Francisco, California and Manhattan, New York, according to the Council for Community and Economic Research's Quarter 3, 2018 Cost of Living Index Release.

A "living wage" is the minimum income necessary for a full-time worker to meet his or her basic needs, including food, housing, clothing, utilities, transportation, health care, and other essentials in modern society. According to the Living Wage Calculator for the City and County of Honolulu (2017 Update), the 2017 living wage for an adult here was \$16.03 per hour, or \$33,342 annually, with the amount nearly doubling when adding a child to the household calculation. The 2018 estimated living wage for an adult on Oahu was \$16.50 per hour, or \$34,320 annually, according to the State of Hawaii Department of Business and Economic Development.

Section 387-2(a), Hawaii Revised Statutes, provides that the Hawaii minimum wage is \$10.10 per hour, or \$21,000 annually, resulting in a \$12,000-\$13,000 annual gap between the amount full-time minimum wage worker earns now and the amount a worker must earn to meet his or her basic needs.

Many individuals in Honolulu must work two or more jobs to maintain a basic standard of living for themselves and their families due to the disparity between Hawaii's current minimum wage and a living wage.

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



**Testimony to the Senate Committee on Labor & Culture and the Arts
Thursday, January 31, 2018 at 3:00 P.M.
Conference Room 224, State Capitol**

RE: SENATE BILL 789 RELATING TO MINIMUM WAGE

Chair Taniguchi, Vice Chair Ihara and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **does not support** SB 789, which increases the minimum wage to \$12.00 per hour beginning January 1, 2022.

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.

National data has differed on their opinion of the effects that an increase in the minimum wage could have on employers and their businesses. However, should this bill pass, it will seriously harm local businesses, the state economy, job creation and, potentially, the very employees it is trying to help.

The Minimum Wage is a Base Floor Wage

We would also like to point out that the minimum wage is a floor wage. For many employees earning the minimum wage, it is because this is their first job and, generally, are entry-level positions. Employers must invest time and money to train these individuals. In the food and beverage industry, many employees who earn minimum wage also earn tips, which allows them to earn anywhere from \$18-30 per hour.

Large Increases Would Negatively Impact Business

While only a small percentage of workers earn the minimum wage, a large increase would greatly impact many businesses as they will be forced to raise the wages of their other employees. As an example, if John started working with a company a year ago and earns \$10.10 per hour and then Lisa is hired after the new law at \$11.25 per hour, the employer will have to raise John's hourly wage to provide parity in compensation. This could increase businesses labor costs by up to 15-20% in the first year alone.



Hawaii is Different: Prepaid Healthcare Law Mandates Employers to Pay for Insurance Premium Costs

While the Chamber understands that other states have recently considered increases in their minimum wage, it is essential to keep in mind that **Hawaii is the only state in the nation** that requires employers to provide health insurance to its employees, including part-time employees (20 or more hours per week). No other employers in the country have this additional responsibility. In addition, workers' compensation premiums, Social Security tax, Medicare tax, temporary disability insurance, and unemployment insurance tax are all based on wages. Increasing the minimum wage requires additional increases for all the foregoing benefits. This bill will not only increase direct labor costs to business but will also **increase mandated benefit costs and taxes**.

Important Considerations

As a direct result of the significant proposed increase in the minimum wage, some businesses may have to cut back hours, reduce benefits or limit the hiring of new employees. In Hawaii between December 2015 and November 2016, the average hours worked per week dropped from 33 to 32.1. While that may seem small, this reduction effectively lowered a person's work hours by 46.8 hours in a year. At \$9 per hour that reduced their total annual income by over \$420.

Increasing the minimum wage will also greatly affect job opportunities, especially for new, unskilled workers. In addition to traditional adult workers changing industries, young adult workers also often receive their initial work experience by starting at unskilled jobs.

When Seattle instituted a \$15 per hour minimum wage, their economy had interesting and similar results. A study conducted by the University of Washington concluded that the increase in the minimum wage reduced the number of hours worked each week, affected employment by about 1.2 percentage points and had a minimal impact on workers' average total earnings. Overall, Seattle's experiment with the minimum wage may have magnified both the positive and negative impacts, resulting in little to no net benefit. Workers who did not lose hours may have enjoyed gains in income, while those who lost hours had a hard time finding a second job to make up for their lost hours and may have earned much less. Notably, neither Seattle nor Washington State have a prepaid healthcare mandate on all businesses that **adds to the minimum wage anywhere from \$3.45-\$7.06 per hour per employee**.

If the minimum wage increases too rapidly, the market (as driven by consumers) will decide at the point of sale what they are willing to pay for. The Chamber respectfully submits that the quality of life of residents in Hawaii is largely a cost issue, driven in large part by the cost of housing.



While our economy is presently on strong footing, we note that the minimum wage has never been decreased when the economy enters a recession. The Council on Revenues also recently lowered the state's forecasted revenue growth because of a projected slowdown. Also, employers just went through minimum wage increases for the past couple of years, so we encourage the committee to take this into consideration.

For all the above reasons, we respectfully ask that this bill be held. Thank you for the opportunity to express our views and concerns.



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Tammy Fukugawa, Vice Chair – TS Restaurant **Dirk Koeppenkastrop, Secretary** – IL Gelato Hawaii
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To: Sen. Brian T. Taniguchi, Chair
Sen. Les Ihara, Jr., Vice Chair
Members of the Committee on Labor, Culture and the Arts

From: Victor Lim, Legislative Chair
Hawaii Restaurant Association

Subj: SB 789 Relating to Minimum Wage to \$ 12.00 per hour in @/1/2020

Date: January 30, 2019

The Hawaii Restaurant Association representing over 3,500 restaurants looks at this bill as something that seems to be a more reasonable proposal that the business community could possibly support.

We are very concerned about the small and medium size business that will have a hard time absorbing any type of cost increases because of not having the ability to pass all cost increases to price increases. We are already facing many long time mom and pop businesses that are shutting their doors.

Thank you for your consideration on our concerns.





AMERICANS FOR DEMOCRATIC ACTION

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John Bickel, President	Melodie Aduja	Ken Farm	Stephen O'Harrow	P.O. Box 23404
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96823				
Dylan Armstrong, Secretary	Gloria Borland	Jenny Nomura		

Jan 28, 2018

TO: Honorable Chair Taniguchi & LCA Committee Members

RE: SB 789 Relating to the Minimum Wage

Support for hearing on Jan. 31

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 789 as we would like a hike in the minimum wage. However we are disappointed at the \$12 an hour number by 2022. We would like to see a \$17 per hour minimum wage. We would prefer the hike happen sooner than later.

Workers today cannot survive on less than \$17/hour which equals \$2720 per month. This amount assumes ½ of income would go to housing, i.e. \$1360/month rent. That is not going to get you luxury but should keep you off the street. We need a living wage to reduce homelessness and welfare dependency. We also like a provision for an annual adjustment tied to CPI-W. This would bring the minimum wage to what it was a few decades ago before it fell behind due to inflation. Also evidence from Seattle indicates a higher minimum wage neither causes more unemployment nor causes inflation. Economists often point out lower wage earners spend more of their income, stimulating the local economy. This is a win-win for local businesses who enjoy increased local spending, and for minimum wage earners who will better afford basic living expenses.

Thank you for your favorable consideration.

Sincerely,

John Bickel President





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Derek Kurisu, KTA Superstores, *Advisor*

TO:
Committee on Labor Culture and the Arts
Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: January 31, 2019
TIME: 3pm
PLACE: Conference Room 224

RE: SB789 Relating to Minimum Wage

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.

HFIA recognizes that this is the more reasonable of several proposals to increase the minimum wage. While this measure may be less damaging than some others there may still be negative consequences of another substantial minimum wage hike. Since 2015 the minimum wage has already increased by roughly 30%, with the latest increase taking effect just last year. Another increase of almost 20% in such a short time period is a burden that some of our local businesses may not be able to bear. Increases in the minimum wage can effect the whole pay scale and create tremendous added expense for employers, which can lead to hiring freezes, cutting hours, reducing benefits, raising prices, eliminating jobs, or even going out of business. These are outcomes we should all be working to avoid.

Hawaii is currently at historically low unemployment rates, which means that it is a job seekers' market and that market forces are ensuring strong wages in our state. Many employers are already hiring for entry-level positions at \$12 an hour or higher. But forcing all employers to hire and train every single employee at \$12 an hour, even those with no experience who are just entering the work force, is unreasonable. The minimum wage is not intended to be a living

wage, it is a training wage. Employers pay unskilled employees starting wages while also providing them with skills, training, and experience, and preparing them to move up in their careers.

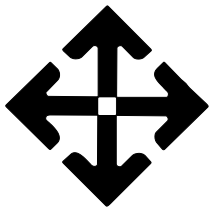
Businesses in Hawaii face a range of challenges and Hawaii is consistently ranked as one of the most difficult states for doing business. This is the only state in the country where employers are required to provide healthcare for employees working anything over 20 hours a week. It costs thousands of dollars a year beyond just salary for a business to employ a person in Hawaii, this bill will make it even more expensive for businesses in our state to provide jobs, especially entry level jobs. When employers can no longer afford to employ people in these positions they will be forced to either mechanize these roles, eliminate jobs, reduce other benefits, increase prices, or close their doors. Many retailers in high minimum wage areas across the country are already moving to eliminate jobs and replacing workers with self serve kiosks and self-checkouts.

Food retailers will be especially hard hit by a measure like this, which will dramatically increase the cost of doing business. Grocery stores generally operate at a profit margin of around 1 or 2 percent. In addition to potentially eliminating jobs, many businesses will be forced to raise prices in order to compensate for a new higher wage scale. This could drive up prices of food and other necessities in Hawaii, where we already have the highest cost of living in the country.

A correlation between prices and minimum wage increases has been documented. A report from William Blair, a global investment banking and management firm, concluded that when San Francisco's minimum wage increased 14% from \$10.74 to \$12.25 per hour¹ (May 1, 2015), prices at Chipotle increased proportionately. According to the report: All of the Chipotles in the area saw an "across-the-board" price increase. The hike included the chicken, pork, tofu and vegetarian prices, all of which increased 10 percent. The cost of steak and barbacoa rose 14 percent. Increasing the price of food in our state is something we should be working to avoid.

Hawaii's minimum wage has increased by over 20% in the past several years, the price of another increase of almost 20% could be fewer Hawaii jobs, higher prices for Hawaii consumers, and doors closing on Hawaii businesses. We ask that if the legislature is determined to pass a minimum wage increase that they considers these consequences.

¹ City & County of San Francisco Office of Labor Standards Enforcement. *Minimum Wage Ordinance*. San Francisco, CA, 2015. <http://sfgsa.org/index.aspx?page=411> (accessed Oct. 9, 2015).



The Hawaii Business League

1188 Bishop St., Ste. 1003, Honolulu, Hawaii 96813

Phone: (808) 533-6819 Facsimile: (808) 533-2739

January 31, 2019

Testimony To: Senate Committee on Labor, Culture and the Arts
Senator Brian T. Taniguchi, Chair

Presented By: Tim Lyons
President

Subject: S.B. 789 - RELATING TO MINIMUM WAGE.
S.B. 1248 – RELATING TO MINIMUM WAGE.

Chair Taniguchi and Members of the Committee:

I am Tim Lyons, President of the Hawaii Business League, a small business organization. We have comments on both bills.

For some reason it seems difficult to get across the concept that when there is only so much of the pie to cut into wages, pension, health benefits, annuity benefits, sick leave, holiday pay, etc. that by dictating how much the employer will pay in one area, automatically means an decrease in other areas.

We understand the problem of some individuals feeling that they are not making enough money and, in a lot of cases, employers that are forced to pay minimum wage also feel they do not make enough money. The problem is exacerbated since the employee only sees their net pay, after all the taxes have been deducted. What the employer sees however is the gross cost which includes workers' compensation premiums, temporary disability insurance premiums and unemployment insurance

taxes, all of which are based on how much the employee makes. As an example, on a \$1.00 paycheck the employer sees \$1.45(e) in costs; the employee perhaps only gets a \$0.67(e) pay check. Any increase in wages automatically calls for a corresponding increase in fringe benefits costs however because of the tax rates the employee only sees a very small increase in their net pay check.

We also find it very difficult to compare our employee's pay rates with employees from other states. Employers in other state don't have the costs of the Hawaii Pre Paid Health Care Act to deal with, a cost that can add another \$500 to \$1500 cost factor to each employee, per month. Most also do not have temporary disability insurance costs for off the job injuries to deal with. Factor those costs alone in and our full time employees are getting around another \$2.00 to \$3.00 plus per hour on top of the minimum wage.

There is no doubt that those supporting this bill will feel like they should make more money and we do not disagree with that. However, given today's realities for most small businesses there is no extra money for companies to pay more wages and what you will do is cause the demise of individual positions so that existing employees can be paid a higher rate.

It has already been reported that there are some allegations that because of the mandatory health insurance law and recent minimum wage increases, some employers have converted their full time employees to part-time employees because of the cost of health insurance. This is not a cruelty act on the part of the employer but it is life in the real world. If you can only afford to pay "X" amount of dollars however, they are eaten up through wages or through fringe benefits then, it automatically means action one of two ways: 1) the price of the goods offered goes up causing the rest of the consumers that purchase goods and services from the business to pay more or, 2) the employer cuts back on the number of people he has to pay all of these mandates to. Either way, we believe the people of this State lose.

We also find it quizzical that part of the reason, we are told, to increase the minimum wage is that the wage earners will immediately infuse their dollars into the economy. That may be true but even the Department of Labor noted in their prior testimony on this subject that only 1.7% of the workforce were earning minimum wage. An infusion of that nature won't even make the meter move.

We think the tax credit plan offered in S.B. 1248 is an honest attempt to realize this dilemma and an attempt to reach a solution. We are still crunching numbers and at this time cannot express a preference for either S.B. 789 or S.B. 1248 but we appreciate both attempts.

Thank you.

SB-789

Submitted on: 1/28/2019 8:12:03 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Midwives Alliance of Hawaii	Testifying for Midwives Alliance of Hawaii	Support	No

Comments:

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee:

Thank you for this opportunity to provide testimony in support, with amendments, of an increase in Hawai'i's minimum wage.

While it is a great start to raise the wage to \$12 in 2022, as SB 789 would do, the wage should be further increased to \$17. According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years.

But our state's minimum wage is \$10.10 an hour, or only \$21,000 a year for full-time work. It's no wonder that so many Hawai'i residents are struggling with poverty and homelessness. Our cost of living is the highest in the country mainly because of our sky-high housing costs. To rent a market-rate one-bedroom apartment, a you'd have to make over \$57,000 a year (or \$27.44 an hour).

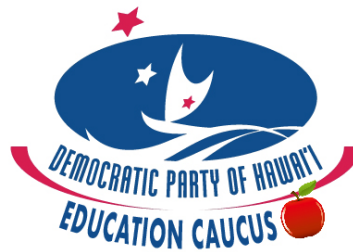
Our minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill should be amended to that effect.

In addition, many hard-working people in Hawai'i are paid less than even \$10.10 an hour because they get tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is

plowed right back into local businesses, leading to positive ripple effects across our economy.

Mahalo for your consideration of this testimony in support, with amendments, of SB 789.



SENATE BILL 789, RELATING TO MINIMUM WAGE

JANUARY 31, 2019 · SENATE LABOR, CULTURE,
AND THE ARTS COMMITTEE · CHAIR SEN. BRIAN T.
TANIGUCHI

POSITION: Support, with amendments.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports SB 789, relating to minimum wage, which increases the minimum wage to \$12.00 per hour beginning 1/1/2022.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$32,957 to achieve self-sufficiency in Hawai'i in 2016, while a single parent with one child required \$56,157. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time employee earns only \$21,008 annually. Moreover, the National Low Income Housing Coalition's Out of Reach 2018 report estimates that a minimum wage worker would have to work 109 hours per week to afford a one-bedroom rental home at fair market rent, which is the equivalent of nearly three full-time jobs.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has also grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services, thereby putting their increased earnings back into the local economy, increasing demand, raising local profits, and uplifting the Aloha State's overall economy. Over the same time span, we have experienced record low unemployment and

seen the number of small businesses increase. Hawai'i will likely see the same impact under new minimum wage increases, leading to greater prosperity for all.

That said, we suggest **amending this measure to phase in a \$17 minimum wage increase over five years, with future minimum wage increases linked to the Honolulu region consumer price index** for all urban consumers for the twelve months prior to September 1 of each year as calculated by the United States Department of Labor. Furthermore, we urge you to **revise this measure to eliminate the tip credit contained in HRS §387-2**, thereby preventing low-wage restaurant workers from losing precious earnings. It should also be noted that across the country, restaurant workers and advocacy groups have pointed to the tip credit's impact on sexual harassment, arguing that diners can more easily harass workers who won't retaliate for fear of losing tips. According to Restaurant Opportunities Center United (ROC United), restaurant servers—a group made up predominantly of women—are more likely to endure harassment and abuse from customers, since their livelihoods depend on the tips they earn.

We must provide economic justice to working families. We should not forego this legislative opportunity to help our islands' working poor, whose financial situation becomes more precarious with each passing year.

SB-789

Submitted on: 1/28/2019 5:09:08 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

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

Comments:

Aloha Senators,

The LGBT Caucus supports raising the minimum wage. We respectfully request that this bill be amended to \$17 an hour by 2022.

Mahalo,

Michael Golojuch, Jr.
Chair
LGBT Caucus of the Democratic Party of Hawaii

SB-789

Submitted on: 1/29/2019 9:12:17 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Kasper	Testifying for Malolo Charters	Oppose	No

Comments:

TIP CREDIT AND COMMISSION ONLY EXCLUSION

An increase in minimum wages must include tip credits and exclusions for commission only employees. There are many business models that don't include hourly wages. These employees make well in excess of the minimum wage and there needs to be a tip credit and commission only exclusion. Federal law has an outside salesperson exclusion for commission employees, and many service industry employees get huge tips.



SB 789, RELATING TO MINIMUM WAGE

JANUARY 31, 2019 · SENATE LABOR, CULTURE,
AND THE ARTS COMMITTEE · CHAIR SEN. BRIAN T.
TANIGUCHI

POSITION: Support, with suggested amendments.

RATIONALE: The IMUAlliance supports SB 789, relating to minimum wage, which increases the minimum wage to \$12.00 per hour beginning 1/1/2022.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$32,957 to achieve self-sufficiency in Hawai'i in 2016, while a single parent with one child required \$56,157. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time employee earns only \$21,008 annually. Moreover, the National Low Income Housing Coalition's Out of Reach 2018 report estimates that a minimum wage worker would have to work 109 hours per week to afford a one-bedroom rental home at fair market rent, which is the equivalent of nearly three full-time jobs.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has also grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services, thereby putting their increased earnings back into the local economy, increasing demand, raising local profits, and uplifting the Aloha State's overall economy. Over the same time span, we have experienced record low unemployment and seen the number of small businesses increase. Hawai'i will likely see the same impact under new minimum wage increases, leading to greater prosperity for all.

That said, we suggest **amending this measure to phase in a \$17 minimum wage increase over five years, with future minimum wage increases linked to the Honolulu region consumer price index** for all urban consumers for the twelve months prior to September 1 of each year as calculated by the United States Department of Labor. Furthermore, we urge you to **revise this measure to eliminate the tip credit contained in HRS §387-2**, thereby preventing low-wage restaurant workers from losing precious earnings. It should also be noted that across the country, restaurant workers and advocacy groups have pointed to the tip credit's impact on sexual harassment, arguing that diners can more easily harass workers who won't retaliate for fear of losing tips. According to Restaurant Opportunities Center United (ROC United), restaurant servers—a group made up predominantly of women—are more likely to endure harassment and abuse from customers, since their livelihoods depend on the tips they earn.

We must provide economic justice to working families. We should not forego this legislative opportunity to help our islands' working poor, whose financial situation becomes more precarious with each passing year.

SB-789

Submitted on: 1/29/2019 9:11:19 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Testifying for Calypso Charters	Oppose	No

Comments:

TIP CREDIT AND COMMISSION ONLY EXCLUSION

An increase in minimum wages must include tip credits and exclusions for commission only employees. There are many business models that don't include hourly wages. These employees make well in excess of the minimum wage and there needs to be a tip credit and commission only exclusion. Federal law has an outside salesperson exclusion for commission employees, and many service industry employees get huge tips.



of Hawaii

January 29, 2019

From: Younghee Overly, Public Policy Chair, AAUW Hawaii

To: Hawaii State Senate Committee on Labor, Culture and the Arts

Hearing Date/Time: Thursday, January 31, 2019 3:00PM

Place: Hawaii State Capitol, Room 224

Re: Testimony in SUPPORT of SB789 with amendments

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee,

Mahalo for this opportunity to submit a testimony in support of SB789 with amendments. Our state's minimum wage is \$10.10 an hour, or only \$21,000 a year for full-time work. It's no wonder that so many Hawai'i residents are struggling with poverty and homelessness. Our cost of living is the highest in the country mainly because of our sky-high housing costs. To rent a market-rate one-bedroom apartment, you'd have to make over \$57,000 a year (or \$27.44 an hour).

While it is a great start to raise the wage to \$12 in 2022, as SB789 would do, the wage should be further increased to \$17. According to the Department of Business, Economic Development & Tourism, the self-sufficiency income (aka living wage) for a single person without children in Hawai'i was \$15.84 an hour in 2016¹ which is, after adding inflation, \$17 an hour in 2019. the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years.

In Hawaii, more than 52,000 family households are headed by women and about 17 percent of those families, or 8,799 family households, have incomes that fall below the poverty level². AAUW of Hawaii supports SB789 with amendment to raise the minimum wage to at least \$17 because increasing the minimum wage to a living wage would provide much-needed income to women whose wages sustain their households.

The American Association of University Women (AAUW) of Hawaii is a state-wide organization made up of six branches (Hilo, Honolulu, Kauai, Kona, Maui, and Windward Oahu) and includes just over 450 active members with over 1700 supporters statewide. As advocates for gender equity, AAUW of Hawaii promotes the economic, social, and physical well-being of all persons.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Y. Overly', is positioned below the 'Sincerely,' text.

¹ http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency_2016.pdf

² <http://www.nationalpartnership.org/our-work/resources/workplace/fair-pay/4-2017-hi-wage-gap.pdf>

SB-789

Submitted on: 1/29/2019 12:45:52 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Pamela Townsend	Testifying for Boss Frog's Dive & Surf	Oppose	No

Comments:

1. We oppose SB789 on behalf of Boss Frog's Dive & Surf, employing over 50 employees engaged in activity sales and rentals and passenger vessel cruises supporting Hawai'i's tourist-based economy.

2. Labor and associated wage-based costs are our greatest expense in this highly competitive environment, which has also seen significant regulatory fee hikes. Such increases threaten to affect small operators such as our companies as well as the competitiveness of Hawaii and Maui in the larger marketplace.

SB-789

Submitted on: 1/29/2019 2:03:06 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Strahn	Testifying for Maui Dive Shop	Oppose	No

Comments:



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

The Thirtieth Legislature, State of Hawaii
The Senate
Committee on Labor, Culture and the Arts

Testimony by
Hawaii Government Employees Association

January 31, 2019

S.B. 789 – RELATING TO
MINIMUM WAGE


The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO conceptually supports S.B. 789 which increases the minimum wage to \$12.00 per hour beginning on January 1, 2022.

Prior to the incremental increases that began in 2015, the minimum wage had not changed since January 1, 2007, which equated to 8 years of salary stagnation for minimum wage employees. Although the current minimum wage is now \$10.10 per hour, Hawaii's high cost of living continues to outpace wage increases. Any increase to the minimum wage will directly benefit those who need it the most – the working class.

Although not contained in this specific measure, we are supportive of additional increases in future years and/or subsequent indexing to the Honolulu Consumer Price Index. We believe these salary increases will help spur Hawaii's economy and generate much needed consumer spending.

Thank you for the opportunity to testify in support of S.B. 789.

Respectfully submitted,


Randy Perreira
Executive Director



Thursday, January 31, 2019

Senate Bill 789
Testifying in Support With Amendments

Aloha, Chair Taniguchi, Vice-Chair Ihara, and Members of the Committee on Labor Culture and the Arts,

The Democratic Party of Hawai'i (The Party) **supports SB789 Relating to the Minimum Wage and offers amendments**, which increases the minimum wage to \$12.00 per hour beginning January 1, 2022.

The Party appreciates the intent of this measure and agrees that the minimum wage needs to be increased beyond its current \$10.10 an hour level.

Workers earning the minimum wage today are making only \$21,000 annually. This in the state with the highest cost of living and among the highest housing costs in the country. At this wage, it's no wonder we have the highest per-capita rate of homelessness in the nation. Working full-time at the current \$10.10 an hour, an individual has to work 109 hours a week to afford a one-bedroom apartment.

Despite messaging to the contrary, the minimum wage was not initially established to provide an "opening" or "training" wage for young or new workers. It was never intended as a starting wage for teenagers joining the workforce. In fact, in the wake of industrialization and the Great Depression, the federal minimum wage was established to ensure workers were being paid enough to survive.

According DBEDT's Self-Sufficiency Income Standard¹, in 2016, an individual living in Honolulu needed to be making \$33,350 a year to be "self-sufficient." This works out to \$15.84 per hour. This works out to \$17 in 2019. It is for this reason primarily that the Party, working with the Raise Up Hawai'i Coalition, believes the State Legislature should move the minimum wage to \$17 an hour as quickly as possible, but slowly enough to allow businesses to adapt and to avoid job losses.

From 2014, when the last minimum wage increase was passed, to 2018 Hawai'i's unemployment rate dropped for each of the four consecutive years the minimum wage increased. Obama's Council on Economic Advisors looked at 19 state-level minimum wage increases and concluded that "the recent legislation contributed to substantial wage increases with no discernible impact on employment levels or hours worked."

Our current minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic

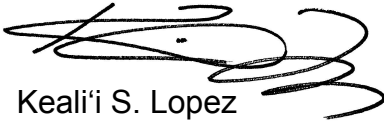
inflation adjustments, and this bill would have Hawai'i join them.

However, many hard-working Hawai'i residents are paid even less than \$10.10 an hour because they also receive tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and instead pay all workers the same minimum wage. Hawai'i should join them, too, and eliminate the tip credit.

The Party recognizes the challenges small businesses face in Hawai'i, but we do not believe those challenges should be prioritized over the needs of working people. The talking points from the Chamber of Commerce and the Restaurant Association do little other than to misinform and instill fear in legislators. It is important we find a way to address the reasonable concerns of small businesses while ensuring one job is enough to make a living in Hawai'i.

For all these reasons, we urge you to pass this bill, with amendments.

Mahalo for the opportunity to testify,



Keali'i S. Lopez
Chair, Democratic Party of Hawai'i

1. http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency_2016.pdf



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Senate Committee on Labor, Culture & the Arts

Hawai'i Alliance for Progressive Action supports SB 789 w/ amendments

Thursday, January 31, 2019, 3:00p.m. Conference Room 224

Aloha Chair Taniguchi, Vice Chair Ihara, and Members of the
Committee,

On behalf of the Hawaii Alliance I urge you to SUPPORT SB789, with
amendments, to raise Hawaii's minimum wage.

While it is a great start to raise the wage to \$12 in 2022, as SB789 would
do, the wage should be further increased to \$17. According to the
Department of Business, Economic Development & Tourism, the "self-
sufficiency income" for a single person without children in Hawai'i was
close to \$16 an hour in 2016. After adding inflation, the self-sufficiency
income is \$17 in 2019. Accordingly, this bill should be amended to raise
the wage to at least \$17 over a number of years.

Our state's minimum wage workers earn only \$21,008 a year (working
full time at \$10.10 per hour) while facing the highest cost of living in the
nation. For example, a Hawaii minimum wage worker would have to work
109 hours per week just to pay rent for a 1-bedroom apartment.

In addition, our minimum wage has been falling further behind inflation
since Jan. 1, 2018, the last time the wage was increased. The minimum
wage in 17 states plus DC have automatic inflation adjustments, and this
bill should be amended to that effect.

Tipped workers in Hawaii can be paid even less than \$10.10. California,
Nevada, Oregon, Washington, Alaska, and two other states instead pay
all workers the same minimum wage. This bill should be amended to
eliminate the sub-minimum wage for tipped workers in Hawaii.

A higher minimum wage would put additional money in the pockets of the
people most likely to spend at their local businesses. Studies have found
that higher wages also mean more productive employees and lower
turnover, which reduces employers' turnover, hiring, and training costs.

The latest major study, in 2017, found that, on average, 137 minimum-wage increases since 1979 reduced the number of jobs paying LESS than the new minimum while also adding jobs paying AT OR ABOVE the new minimum, effectively canceling each other out. [1]

In 2016, President Obama's Council of Economic Advisers looked at 19 recent state-level minimum wage hikes and concluded that "the recent legislation contributed to substantial wage increases with no discernible impact on employment levels or hours worked." [2]

Another paper in 2015 analyzed 15 years of minimum-wage research and found "no support for the proposition that the minimum wage has had an important effect on U.S. employment." [3] A 2013 study reviewed the literature since 2000—including two meta-studies—and concluded that minimum wage increases "have no discernible effect on employment." [4]

Last summer, a University of Washington paper that found negative job effects from Seattle's minimum wage increase made a lot of headlines mainly because it contradicted the existing body of research. [5] In fact, a few days earlier, a University of California, Berkeley, study that found that Seattle's minimum wage increase had beneficial effects drew almost no media attention. [6]

Since then, major flaws in the University of Washington paper have been found by economists at institutions such as the Economic Policy Institute [7], the University of California, Berkeley [8], and the Center for American Progress [9]. As a result, some eminent economists who initially affirmed the Seattle paper have retracted their endorsements of it. [10]

Please pass SB 789 with amendments to help our minimum wage workers and their families be able to make ends meet. Thank you for your attention to this testimony.

HAPA is a member of the Common Good Coalition and Raise Up Hawaii.

Mahalo for your consideration,



Anne Frederick
Executive Director

[1] Centre for Economic Performance, *The effect of minimum wages on the total number of jobs: Evidence from the United States using a bunching estimator*, CEP Discussion Paper No 1531, February 2018.

[2] VOX CEPR Policy Portal, *Minimum wage increases by US states fuelled earnings growth in low-wage jobs*, December 2, 2016.

[3] Tuck School of Business Working Paper No. 2705499, *15 Years of Research on U.S. Employment and the Minimum Wage*, December 20, 2015.

[4] Center for Economic and Policy Research, *Why Does the Minimum Wage Have No Discernible Effect on Unemployment?*, February 2013.

[5] National Bureau of Economic Research, Working Paper 23532, *Minimum wage increases, wages, and low-wage employment: Evidence from Seattle*, June 2017.

[6] Center on Wage and Employment Dynamics, *Seattle's Minimum Wage Experience 2015-16*, June 2017.

[7] Economic Policy Institute, *The "high road" Seattle labor market and the effects of the minimum wage increase*, June 26, 2017.

[8] Center on Wage and Employment Dynamics, "UC Berkeley and the UW reports on the effects of Seattle's minimum wage policy," Reich, Michael, Memorandum to Robert Feldstein, June 26, 2017.

[9] Center for American Progress, "Five Flaws in a New Analysis of Seattle's Minimum Wage," June 28, 2017

[10] The Washington Post, "The effects of 137 minimum wage hikes, in one chart," February 5, 2018.

SB-789

Submitted on: 1/29/2019 9:52:01 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brett Kulbis	Testifying for Honolulu County Republican Party	Oppose	No

Comments:



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
In Support of SB 789 – Relating to Minimum Wage
Senate Committee on Labor, Culture and the Arts
Thursday, January 31, 2019, 3:00 PM, conference room 224

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee:

Mahalo for the chance to submit testimony in support of SB 789, with amendments.

We all hear the stories of families who are moving away from our state because they can't afford to live here. Our unique location in the middle of the ocean, as well as the very limited amount of land that we can build housing on, cause our prices to be higher than the rest of the nation. We need a minimum wage that can keep up with our cost of living.

You'd think that with the lowest unemployment rate in the nation, our workers would've seen big raises over the past few years. Yet we have **the lowest average wage in the nation**,ⁱ when you adjust for our cost of living.ⁱⁱ Something's out of balance. There's a lot of evidence that it's not just our prices, but also our low wages.

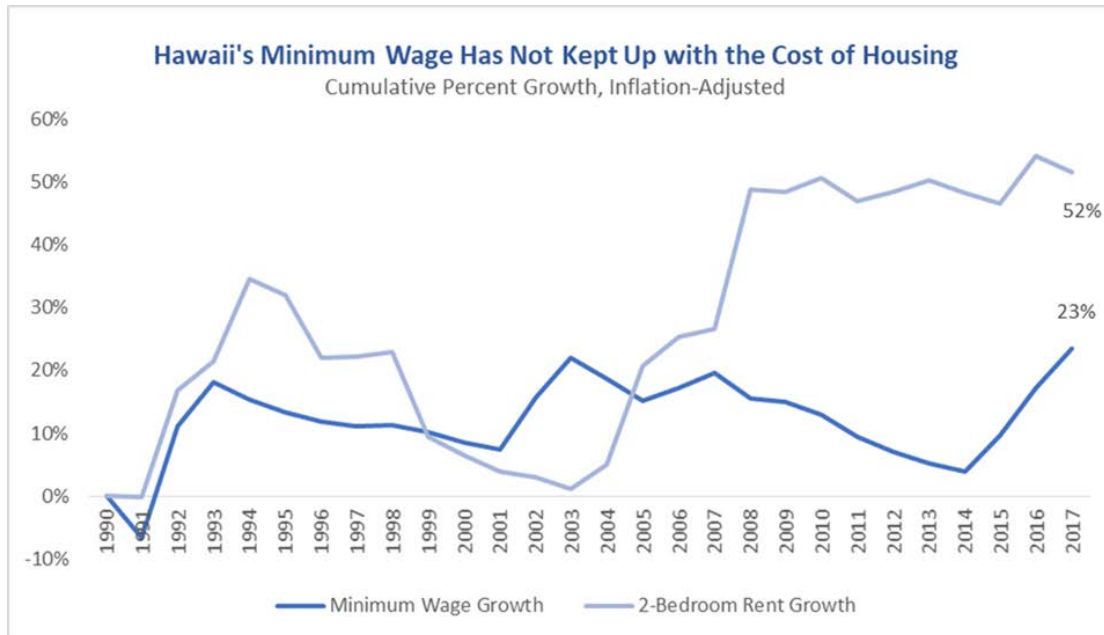
How much do you need to earn to make ends meet in Hawai'i? Here are a few answers:

- **\$17 per hour** in 2019 for a single person with no children and *with* employer-provided health insurance, according to our own state's Department of Business and Economic Development & Tourism,ⁱⁱⁱ
- **\$27.44 an hour** to afford a 1-bedroom rental in Hawai'i in 2018, according to the National Low-Income Housing Coalition,^{iv}
- **\$24.78 an hour** in 2017 for a single person with no children in Honolulu County to have a "modest yet adequate standard of living," according to Economic Policy Institute's family budget calculator,^v
- **\$21.52 an hour** in 2018 for a single childless worker in Hawai'i to achieve "basic economic security," according to the Institute for Women's Policy Research.^{vi}

With the highest cost of living in the nation, \$10.10 an hour is not a living wage for a single adult in Hawai'i, much less parents raising children. As low-wage jobs become the new normal, working families are falling further and further behind even as the economy continues to grow.

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.

Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour). At that rate, a **Hawaii minimum wage worker has to work 109 hours per week just to pay rent for a 1-bedroom apartment.** According to the Aloha United Way, 48 percent of families in our state struggle with incomes below a minimum survival budget.^{vii}

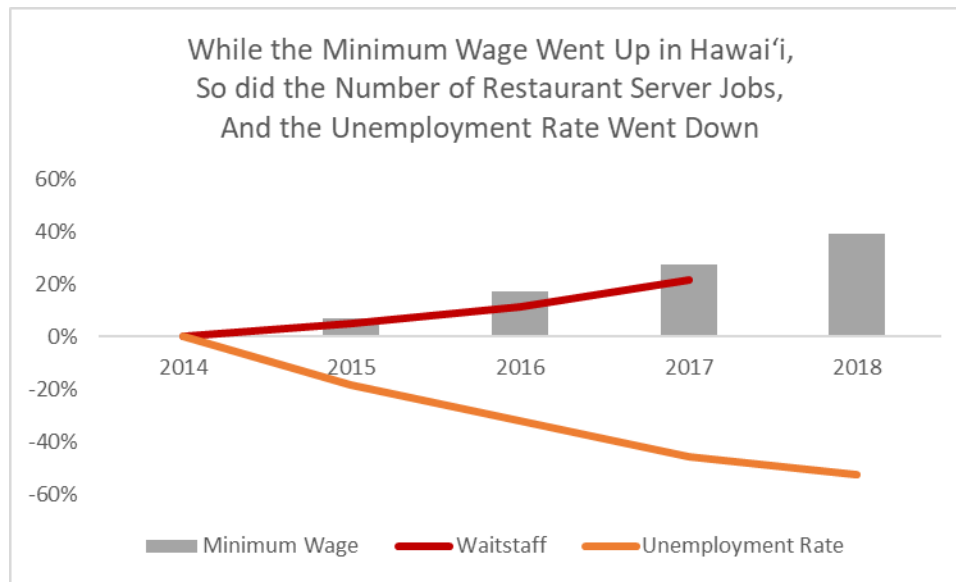


Meanwhile, consumer spending is the largest driver the economy -- accounting for two-thirds of GDP. And minimum wage workers spend a larger portion of their income than anyone else. When they make more, they spend more. As their wages grow, so too does their spending at local businesses. **A minimum wage hike promises to boost consumer demand and, in turn, our state economy's growth.**

Moreover, study after study shows that higher wages are good for businesses' bottom lines. **Higher wages improve employee morale, productivity, and loyalty, in turn reducing costly turnover and training.** Employees work harder because they want to keep their jobs, rather than looking for another with higher pay.

Despite claims to the contrary, decades of research – as well as real-world evidence – have proven that raising the minimum wage does not cause businesses to shed jobs. **Between 2015 and 2018, when the minimum wage in Hawai'i rose by 39 percent, our state's unemployment rate dropped by 52 percent. And since the minimum wage started rising in 2015, there was an increase in restaurant server jobs of 22 percent.**

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.



The latest major academic study on the minimum wage, in 2017, found that, on average, 137 minimum wage increases since 1979 reduced the number of jobs paying *less* than the new minimum while adding jobs paying *at or above* the new minimum, effectively canceling each other out.^{viii}

In 2016, President Obama's Council of Economic Advisers looked at 19 recent state-level minimum wage hikes and concluded that "the recent legislation contributed to substantial wage increases with no discernible impact on employment levels or hours worked."^{ix}

A paper in 2015 analyzed 15 years of minimum wage research and found "no support for the proposition that the minimum wage has had an important effect on U.S. employment."^x A 2013 study reviewed the literature since 2000—including two meta-studies—and concluded that minimum wage increases "have no discernible effect on employment."^{xi}

In 2017, a University of Washington paper that claimed to find negative job effects from Seattle's minimum wage increase made a lot of headlines mainly because it contradicted the existing body of research.^{xii} In fact, a few days earlier, a University of California, Berkeley, study that found that Seattle's minimum wage increase had beneficial effects drew almost no media attention.^{xiii}

Since then, major flaws in the University of Washington paper have been found by economists at institutions such as the Economic Policy Institute, the University of California, Berkeley, and the Center for American Progress. As a result, some eminent economists who initially affirmed the Seattle paper have retracted their endorsements of it.^{xiv}

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.

SB 789 would raise our minimum wage to \$12 in 2022, which is a solid first step. However, according to DBEDT, the self-sufficiency income standard for a one person with no keiki was close to \$16 an hour in Hawai‘i in 2016. Adding inflation brings it up to \$17 in 2019. So, we recommend this bill be amended to raise the wage to at least \$17 over a number of years.

Also, our minimum wage has been stuck at \$10.10 an hour since January 1, 2018, the last time the wage was increased. In other words, it is now losing ground to inflation. Eighteen states already have added automatic cost of living adjustments to their minimum wages, so we recommend an amendment to this bill to have Hawai‘i join them

Meanwhile, tipped workers in Hawaii can be paid even less than \$10.10 per hour. Seven states, including Nevada and all the West Coast states, have only one minimum wage for *all* workers. We recommend an amendment to this bill to eliminate the minimum wage tip credit in Hawai‘i.

Please pass SB 789, with the amendments described above. Thank you for your consideration of this testimony.

ⁱhttps://data.bls.gov/cew/apps/table_maker/v4/table_maker.htm#type=0&year=2017&qtr=A&own=0&ind=10&su pp=1

ⁱⁱ <https://www.bea.gov/system/files/2018-05/rpp0518.pdf>

ⁱⁱⁱ http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency_2016.pdf

^{iv} <https://nlihc.org/oor/hawaii>

^v <https://www.epi.org/resources/budget/>

^{vi} <http://www.basiceconomicsecurity.org/best/budget.aspx>

^{vii} <https://www.auw.org/alice>

^{viii} <https://www.sole-jole.org/17722.pdf>

^{ix} <https://voxeu.org/article/minimum-wage-increases-and-earnings-low-wage-jobs>

^x https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2705499

^{xi} <http://cepr.net/press-center/press-releases//new-paper-finds-modest-minimum-wage-increases-have-little-impact-on-employment>

^{xii} <https://evans.uw.edu/sites/default/files/NBER%20Working%20Paper.pdf>

^{xiii} <http://irle.berkeley.edu/files/2017/Seattles-Minimum-Wage-Experiences-2015-16.pdf>

^{xiv} <https://www.washingtonpost.com/news/wonk/wp/2018/02/05/raising-the-minimum-wage-doesnt-cost-jobs-multiple-studies-suggest/>

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR

RE: SB 789 - RELATING TO MINIMUM WAGE

THURSDAY, JANUARY 31, 2019

MITZIE HIGA, LEGISLATIVE CHAIR
DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Taniguchi and Members of the Committee:

The Democratic Party of Hawaii Labor Caucus **supports SB 789 with the suggested amendments**, relating to minimum wage.

While it is a start to raise the minimum wage to \$12 in 2022, as SB789 would do, we suggest amending the language to raise the minimum wage higher to \$17 per hour by 2022. According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. **Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years. This bill should also be amended to eliminate the sub-minimum wage for tipped workers in Hawaii.**

Our state's minimum wage workers earn only \$21,008 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

In addition, our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill should be amended to that effect.

Tipped workers in Hawaii can be paid even less than \$10.10. California, Nevada, Oregon, Washington, Alaska, and two other states instead pay all workers the same minimum wage.

A higher minimum wage would put additional money in the pockets of the people most likely to spend at their local businesses. Studies have found that higher wages also mean more productive employees and lower turnover, which reduces employers' turnover, hiring, and training costs.

To provide a living wage to all workers in Hawaii, the Labor Caucus asks your committee to **support** this bill with suggested amendments.

SB-789

Submitted on: 1/29/2019 11:24:33 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	Testifying for We Are One, Inc. - www.WeAreOne.cc - WAO	Support	No

Comments:

SUPPORT WITH AMENDMENTS: SB1248, which increases the minimum wage to \$15 by 2024, and SB789, which increases it to \$12 by 2022, are NOT ENOUGH and \$17 is the number we need to reach, along with annual adjustments for inflation and a path toward a true living wage.

www.WeAreOne.cc



Before the Senate Committee on Labor, Culture & the Arts

DATE: Thursday, January 31, 2019

TIME: 3:00 PM

PLACE: Conference Room 224

Re: SB 789, Relating to Minimum Wage

Testimony of Melissa Pavlicek for NFIB Hawaii

Aloha Chair Taniguchi, Vice Chair Ihara and members of the committee:

We are testifying on behalf of the National Federation of Independent Business (NFIB) in opposition to SB 789 relating to minimum wage which increases the Hawaii minimum wage to \$12.00 in 2022. If the state mandates an increase in the cost of labor, employers will be forced to increase prices or work with fewer employees.

No one has greater incentive, responsibility or ability to lead the economy than Hawaii's small business owners. Therefore, lawmakers have a special obligation to ensure that public policies help spur economic growth by taking into account the unique perspective of those who are owning and operating a small business. Small businesses play a major role in the economy, representing 99% of all employer firms, employing about half of private-sector employees and generating 63% to 80% of net new jobs annually. Raising the minimum wage would make it harder for low-skilled or first-time workers to get jobs. We oppose this measure.

The National Federation of Independent Business is the largest advocacy organization representing small and independent businesses in Washington, D.C., and all 50 state capitals. In Hawaii, NFIB represents nearly 1,000 members. NFIB's purpose is to impact public policy at the state and federal level and be a key business resource for small and independent business in America. NFIB also provides timely information designed to help small businesses succeed.



Testimony to the Senate Committee on Labor, Culture and the Arts

Thursday, Jan. 31st, 2019 @ 3:00pm

Conference Room 224, State Capitol

RE: Senate Bill 789 Relating to Minimum Wage

Position: Support - Amend to a Living Wage

Chair Taniguchi, Vice Chair Ihara, and Members of the Committee:

Thank you for this opportunity to testify in support of increasing the minimum wage.

Legal starvation wages force full-time workers to struggle

According to the Hawaii's Department of Business Economic Development and Tourism, a single childless adult requires approximately \$35,000 annually, or \$17 per hour to be able to afford their basic necessities working 40 hours a week and 52 weeks a year. At the current legal minimum wage of \$10.10, a full-time workers earns only \$21,000. This requires working adults to either put in 65 hours on the job per week, to sacrifice their well-being by going without their basic necessities, or to depend on the generosity of society to make up the \$14,000 difference.

Low wage floor encourages worker exploitation

As many businesses in Hawaii work on slim margins, it's necessary that they reduce their costs wherever possible. If they can find someone to work for \$10.10 per hour rather than \$12 per hour, it is viewed as an effective way to help the bottom line and remain competitive. This race to the bottom might help small businesses stay afloat, but the consequence is that more than 200,000 workers are paid well below the \$17/hr required to keep them alive.

We should not depend on the selflessness of businesses to sacrifice and offer higher wages for the benefit of their employees, but rather we should level the playing field for all businesses. The minimum legal wage should be at least enough to provide that worker the ability to afford their basic needs and not depend on the state or society for help.

Without this mandated wage floor, Hawaii's lawmakers are encouraging and almost requiring businesses to exploit the labor force in order to cut costs. As long as one businesses is willing to pay below a living wage then many others must be willing to do the same.

Economic growth faster during minimum wage hikes

Despite the consistent rhetoric that our economy will collapse if low-wage workers are paid enough to afford their basic needs, the 4 year period from 2014 to 2018 when the minimum wage increased 39.2% from \$7.25 to \$10.10, the economy grew faster than in the previous 4 years.

From 2010 to 2014, Hawaii's real GDP per capita increased 5.5% compared to the US economy which increased by 7.5% over that same time frame. From 2014 to 2018, Hawaii's real GDP per capita increased 10.4%, while the US economy only grew by 10.0%.

Jobs in Hawaii at all-time highs

Despite the consistent rhetoric that jobs will disappear following minimum wage increases, Hawaii's employment numbers are currently at all-time highs following 4 straight years of minimum wage increases. In 2014 when the minimum wage was \$7.25, there were 667,000 people employed in Hawaii. In 2018, with a \$10.10 minimum wage, there were 687,000 people employed in Hawaii.

Restaurants have also felt this economic boom by employing 20% more wait staff now than in 2014.

Unemployment near record lows

This 4 year span from 2014 to 2018 was also met with all-time low unemployment rates. The unemployment rate dropped from 4.3% in 2014 to 2.1% in 2018. Finding a job in Hawaii today is easier than when the minimum wage was only \$7.25

Low-wage workers much better off

With the significant increase in the minimum wage, a full-time minimum wage worker earns \$6,000 more per year now than in 2014. As unemployment is near record lows, there is ample opportunity for them to find a job that pays them more. If we continue raising the minimum wage, low and middle income workers will benefit significantly.

All workers better off with minimum wage hikes

This economic boom was felt by workers across the spectrum. From 2014 to 2018 the real median wage of the Hawaii worker increase by more than 5%, after adjusting for inflation. This left the average full-time worker with more than \$2,000 to spend or save. Compared to the period between 2010 and 2014 when real worker wages declined by 4% and left full-time workers poorer by more than \$1,500 annually.

Increases in cost of living were slower during minimum wage hikes

Paying low wage workers more has not shown to lead to massive cost increases for the average consumer. The annual rate of inflation between 2010 and 2014 was 2.3% compared to only 1.9% between 2014 and 2018.

A majority of legislators support a living wage

We are fortunate to live in a Democratic state with so many legislators that stand with Democratic Party principles. A majority in the Senate have already come out to publicly support a living wage including 3 out of 5 members of the Labor Committee: Chair Brian Taniguchi and Senators Stanley Chang and Mike Gabbard. We are excited that these members now have the opportunity to stand by their positions and honestly represent the needs of their community for a living wage.

This is the entire list of Senate members that publicly support a living wage:

District 1 - Kaiali'i Kahele
District 2 - Russell Ruderman
District 3 - Dru Kanuha
District 4 - Lorraine Inouye
District 5 - Gilbert Keith-Agaran
District 6 - Roz Baker
District 7 - Kalani English
District 9 - Stanley Chang
District 11 - Brian Taniguchi

District 12 - Sharon Moriwaki
District 13 - Karl Rhoads
District 16 - Breene Harimoto
District 17 - Clarence Nishihara
District 18 - Michelle Kidani
District 20 - Mike Gabbard
District 21 - Maile Shimabukuro
District 24 - Jarrett Keohokalole

Thank you again for the opportunity to testify. Please amend this language to increase the minimum wage to a living wage and allow this measure to be voted on and passed.

Thank you,

Nate Hix

Director
Living Wage Hawaii
nate@livingwagehawaii.com

The Thirtieth Legislature
Regular Session of 2019

The Senate
Committee on Labor, Culture and the Arts
Senator Brian T. Taniguchi, Chair
Senator Less Ihara, Jr., Vice Chair
State Capitol, Conference Room 224
Thursday, January 31, 2019; 3:00 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 789
RELATING TO MINIMUM WAGE**

The ILWU Local 142 **supports with amendments** S.B. 789, which increases the minimum wage to \$12.00 per hour beginning 1/1/2022.

Amendment 1: Increase minimum wage from the suggested \$12.00 per hour to \$17.00 per hour.
Amendment 2: Repeal the tip credit language. 7 states, including states with a vibrant service sector economy such as California and Nevada have eliminated the tip credit.

Hawaii low-income workers are struggling – in fact, any individual earning less than \$40,850 in Hawaii is considered “very low income” according to the U.S. Housing and Urban Development. And unfortunately, a full-time minimum wage worker in Hawaii struggles to make \$20,000 a year or essentially half the income as a “very low income” worker in Hawaii. What this tells us is we clearly have a wage crisis and to make matters worse, the National Low Income Housing Coalition proclaims a renter in Hawaii needs to earn over \$36 an hour to simply afford a modest two-bedroom rental. Further, to add salt to the wound, Hawaii has seen a population decline for the second straight year amounting to the fifth highest population decline among all the states. The truth is, Hawaii residents simply cannot afford to live in Hawaii and raising the wage to a living wage will help keep our families together, reduce the number of homeless from our streets and inject millions of dollars into our economy that relies heavily on consumer spending.

The ILWU urges the passage of S.B. 789 with amendments. Thank you for the opportunity to offer testimony on this measure.

SB789

Timothy Vandever	Lian Bossert	Sarah Catino	Kristen Burkhart
Zachary Larson	Dawn Kubota	John Webster	Carla Allison
Jesse Palen	Jayne Barton	Leonardo Linsky	LATE
Lauren Bell	Amanda Tompkins	Karen Jeffery	Sharain Naylor
Megan Jones	Layla Kilolu	Joe Wu	Daniel Murata
Fatima Abed	Chantel Tokumoto	William Kinney	Rylen I
Marian Heidel	Chester Leoso	Kimberly Tsuha	Thomas Tizard
Lindi Young	Robyn Goldstein	Martiza Segovia	Colleen Mccaffrey
Ross Villiger	Thomas Smith	Ekuia Impraim	Eric Smith
Christopher Russo	Emily Vallejo	Bradley Parras	Richard Valasek
Courtney Mrowczynski	Maisa Thayer	Natalie Hanson	Hughie Long
Anne Nason	Mary Kuahulu	Matthew Bedard	Emily Long
Danielle Beaver	Barbara Treat	Jordan Westerholm	Kathleen Morita
Marci Fermier	Jamie Yoo	Nicole Ramos	Michele Nihipali
Becky Gardner	Joshua Garces	Allison Fluetsch	Suzanne Shedletsy
Alina Bwy	Aurora Naone	Sahtiya Hammell	Lee Curran
James McDonough	Juli Burden	Josie Howard	Isaac Demello
Nicole Carbonell	Jennifer Hsu	Kenji Hurlburt	Dustin Tanabe
Jennifer Milholen	Lauren Kim	James Degen	Nick Fiero
Korynn Grenert	Ashley Regaspi	Krystal Mokuahi	Susana Roman
Bryce Jackman	Crystal Fujiwara	Janna Plant	Sebastian Mosur
Paxton Parker	Kristy Lam	Ara Laylo	Jessie Zhao
Tamera Heine	Maja Schjervheim	Alissa Torigoe	Marissa Sihapanya
Justin Jansen	Mikayla De Peralta	Michael DeYcaza	Katie Pham
Kevin Landers	Ryan Little	Jami Downey-Jovanovich	Cedric Caires
Cameron Hines	Jordan Little	Jena Brittain	Troy Kimberlin
Michelle Kwock	Julie Jones	Chris Swain	Kelsey Nimtzt
Kevin Costello	Dawn Morais	Kawika Lyons	Hayato Shighihara
Flora Wang	Richard Choi	Kai Rilliet	Christopher Inouye
Nanea Lo	Michael Kantar	Sabeth Burad	Duncan Martin
Dayea Shim	Andy Chu	Daniel Murren	Timothy McArthur
Brandon Duran	Weicheng Huang	Stephanie Marr	Taylor Brack
Michelle Gorham	Greg Puppione	Andrew Jones	Trevor Wedlund
Lauren Melzer	Patrick Oiyee	Cameron Crook	Christian Eigner
Josh Michaels	Erin Hisamoto	Landon Li	Megan Bent
Bianca Isaki	Shaina Saiki	Katheryne Lewis	Tien Wong
Jaime Montero	Caroline Cech	Rev. T. J. FitzGerald	Sean Kinerney
Liz Yorck	Christina Kaleiwahea	Jember Jansen	David Ulin O'Keefe
Greg and Pat Farstrup	Amelia Keefe	Kiefer Hermann	Hayley Weber
Camille Caron	Nenita Cabanilla	Vincent Guerra	Zainisha Ogwaro
Adrian Cole	Paul Carvalho	Megan Harper	Matthew Smith
Tom Iwanicki	Ben Shafer	Ma Glodilet Rallojay	Tait Nelson
Miki Tomita	Lori Tamayose	Akana Arquette	John Koblanski

*Testimony to the Senate Committee on Labor, Culture and the Arts
Thursday, Jan. 31st, 2019 @ 3:00pm
Conference Room 224, State Capitol
RE: Senate Bill 789 Relating to Minimum Wage
Position: Support - Amend to a Living Wage
Chair Taniguchi, Vice Chair Ihara, and Members of the
Committee:*

Thank you for your commitments to increasing the minimum wage.

With more than 1 in 3 workers earning less than a living wage, it's necessary we give workers a raise. This is why the Democratic Party has made a living wage their number one priority for the 2019 legislative session.

Although both SB789 and SB1248 do increase the minimum wage, they are both far short of the \$17 per hour that's needed for a full-time worker to be able to afford their basic needs. We are glad that 3 of the 5 labor committee members have come out to publicly support a living wage. The supporters are Chair Brian Taniguchi, Stanley Chang, and Mike Gabbard. Therefore we ask that both of these bills be amended to gradually increase the minimum wage to a living wage and then be subsequently voted on and passed.

Thank you for your continued support for Hawaii's working families.

SB789	*Yellow=Present
Jonathan Boyne	Landon Li
Javier Mendez	Jeff Gilbreath
Aria Castillo	Anne Thurston
Ida Peric	Shannon Rudolph
Will Caron	LATE
Randy Ching	Dana Macario
Kathryn Braun	David Mulinix
Kainani Derrickson	Trevor Wedlund
Randy Gonce	Maile Duarte-Rego
Cindy Aban	Kim Coco Iwamoto
Sophia Hanoa	Laura Ramirez
Kau'i Pratt-Aquino	
Raymond Catania	
Joey Brown	
Matthew LoPresti	
Jun Shin	
Jowenna Ellazar	
Caroline Kunitake	
Marcelino Medrano	
Chris Santomauro	
Melia Leslie	
Elizabeth O'Connor	
Katherine Kitchen	
Lisa Grandinetti	
Patricia Blair	
Lucia You	
Nanea Lo	
Sylvia Ching	
Mary Lu Kelley	
Josiah Lindsley	
Soo San Schake	
Diliaur Tellei	
Sherilyn Nakahara	
Kerin Medigovich	
Dante Carpenter	
Marites Uy	
Randy Ching	
Jomarie Novelli	
Allison Fluetsch	
Donald Erway	

TO: Senate Committee on Labor, Culture & Arts
HEARING: Thursday, January 31, 2019, 3 PM
PLACE: Conference Room 224
RE: SUPPORT for SB 789--Relating to Minimum Wage
ATTENDING HEARING: No

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee:

Thank you for this opportunity to provide testimony in support, with amendments, of an increase in Hawai'i's minimum wage.

While it is a great start to raise the wage to \$12 in 2022, as SB 789 would do, the wage should be further increased to \$17. According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years.

But our state's minimum wage is \$10.10 an hour, or only \$21,000 a year for full-time work. It's no wonder that so many Hawai'i residents are struggling with poverty and homelessness. Our cost of living is the highest in the country mainly because of our sky-high housing costs. To rent a market-rate one-bedroom apartment, a you'd have to make over \$57,000 a year (or \$27.44 an hour).

Our minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill should be amended to that effect.

In addition, many hard-working people in Hawai'i are paid less than even \$10.10 an hour because they get tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

Mahalo for your consideration of this testimony in support, with amendments, of SB 789.

SB-789

Submitted on: 1/29/2019 2:29:05 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Kimiko LaHaela Walter	Individual	Support	Yes

Comments:

Position: SUPPORT - Amend to a Living Wage

Aloha Chair Taniguchi, Vice Chair Ihara, and Members of the Committee on Labor, Culture, & the Arts,

First, mahalo for hearing this important bill so early in session and also for your commitment to increasing the minimum wage.

I'd like to provide a short personal experience before I outline the statistics of the minimum wage situation in our state--details of which you undoubtedly already know.

I am a mid-thirties, working professional, married to a partner with the same graduate-level credentials as I, struggling to make ends meet in busy Honolulu while raising our 4-year-old daughter. I, like so many of my counterparts, will probably never be able to buy a house for my small family. I might not ever own property in this wonderful state, which bore my grandparents, mother, and many of my other relatives. A hard reality to accept, however, my concern is this: if we, two highly educated, skilled workers, are struggling to raise our family making a combined income of what was last year designated as just above the "low income" bracket in Hawai'i, then what are other, less fortunate, less skilled, less educated workers doing to survive? This is not a thriving community we are building. The residents here in paradise are simply surviving on starvation wages, working two, three, even four jobs just to stay afloat. This is unacceptable and the time is now to start creating the change our communities deserve. Let's start by raising the minimum wage to a living wage!

Now for the facts:

- Our state's minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation.**

For example, a Hawai'i minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

- With more than 1 in 3 workers earning less than a living wage, it's necessary we give workers a raise. This is why the Democratic Party of Hawai'i has made a living wage their number one priority for the 2019 legislative session. SB789 would increase our state's minimum wage to \$12 in 2022. According to DBEDT, the self-sufficiency income standard for an individual with no children in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. A commendable effort, however, this bill should be improved by raising the minimum wage to at least \$17 per hour over a number of years.
- Our current minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill would have Hawai'i join them.
- Many hard-working Hawai'i residents are paid even less than \$10.10 an hour because they also receive tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and instead pay all workers the same minimum wage. Hawai'i should join them, too, and eliminate the tip credit.
- Studies have found that higher wages are good for business. Hawai'i's minimum wage rose from \$7.25 to \$10.10 between 2015 and 2018 while our unemployment rate dropped and economy grew. Higher wages improve employee retention and productivity, which gives employers savings in hiring and training costs. And minimum wage workers' raises tend to be spent quickly in the local community, multiplying the beneficial effects across our state.

We are glad that 3 of the 5 labor committee members have come out to publicly support a living wage. The supporters are Chair Brian Taniguchi, and Senators Stanley Chang and Mike Gabbard. Therefore, we ask that SB789 be amended to gradually increase the minimum wage to a living wage.

Please pass SB789 with amendments to help our minimum wage workers and their families be able to finally make ends meet. Mahalo nui loa!

Kimiko LaHaela Walter, Mo'ili'ili

SB-789

Submitted on: 1/29/2019 2:47:23 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Scott	Individual	Support	No

Comments:

I believe a living wage will be beneficial for Hawaii

SB-789

Submitted on: 1/29/2019 4:10:44 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
L.M. Holmes	Individual	Support	No

Comments:

Raising the minimum wage is one very important step in making it possible for local people with regular jobs to be able to afford to live in Hawai'i. This bill is a very modest raise over a rather long time; I would strongly support raising it more, and more quickly, but if this is the most available now, then I certainly support this bill. I am a retired person living on a fixed income, but I am not at all concerned that I would be adversely affected. Raising the minimum wage will improve the economy for everybody.

SB-789

Submitted on: 1/29/2019 4:15:30 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joshua Kay	Individual	Support	No

Comments:

I am in strong support of SB789, with amendments, to raise Hawaii's minimum wage.

Our state's minimum wage workers earn only \$21,008 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

Furthermore, **it is insulting and discouraging to work for substandard wages**. It is imperative that minimum wage standards set by the state keep up with inflation, so that workers don't keep falling further behind.

SB-789

Submitted on: 1/29/2019 5:51:33 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John NAYLOR	Individual	Support	No

Comments:

Aloha,

It's beyond time for a steady incremental minimum wage increase in Hawaii Nei!!!

Mahalo

SB-789

Submitted on: 1/29/2019 5:55:54 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eliel Starbright	Individual	Comments	No

Comments:

Thank the legislators for introducing their proposals, but make it clear that SB1248, which increases the minimum wage to \$15 by 2024, and SB789, which increases it to \$12 by 2022, are NOT ENOUGH and that \$17 is the number we need to reach, along with annual adjustments for inflation and a path toward a true living wage.

SB-789

Submitted on: 1/29/2019 6:14:21 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lahela Hekekia	Individual	Oppose	No

Comments:

Raising the minimum wage will work against small businesses, which are already struggling to stay open in the face of ever-rising rents. If you raise the wages, I guarantee that the big corporate entities will be the ones left standing, but they will respond by adding more self service kiosks and other ways of trimming the work force. They will also become more picky with hires and unskilled labor will find a very hard time finding a job.

SB-789

Submitted on: 1/29/2019 7:20:17 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

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

Comments:

I am writing in support of an increase in minimum wage larger than the proposed amount to \$17/hr. for all employees. Anything less is unsustainable.

David O'Quinn

County of Kauai

SB-789

Submitted on: 1/29/2019 7:29:43 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Paul Miller	Individual	Support	No

Comments:

With the cost of living here support an increase in the minimum wage.

SB-789

Submitted on: 1/29/2019 7:35:29 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lucy Miller	Individual	Support	No

Comments:

SB-789

Submitted on: 1/29/2019 7:37:11 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
James Long	Individual	Support	No

Comments:

SB-789

Submitted on: 1/29/2019 7:42:59 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marilyn Creagan	Individual	Support	No

Comments:

This does not raise the minimum wage fast enough nor high enough but is better than nothing.

SB-789

Submitted on: 1/29/2019 8:00:01 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Seikai Darcy	Individual	Support	No

Comments:

Please support to reduce the rampant poverty which is engulfing those marginalized.

SB-789

Submitted on: 1/29/2019 8:08:29 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

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

Comments:

I am in favor of this. National rent average is now \$1,400 per month. This requires a \$35+ per hour job to pay having one full time job. My own condo complex in Waianae now charges \$ 1,004 per month just as a 'maintenance fee'. RIP-OFF !!!

Please pass this bill.

SB-789

Submitted on: 1/29/2019 8:14:44 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Frank DeGiacomo	Individual	Support	No

Comments:

Support, but think it should be raised to \$20.

SB-789

Submitted on: 1/29/2019 8:23:58 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Canales	Individual	Support	No

Comments:

Strongly Support with amendments

SB-789

Submitted on: 1/29/2019 9:01:11 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Julie and Thomas Pasquale	Individual	Oppose	No

Comments:

This is not a living wage as \$17 is the number we need to reach, along with annual adjustments for inflation.

SB-789

Submitted on: 1/29/2019 9:30:13 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Maria Walker	Individual	Comments	No

Comments:

Aloha Senators,

Thank you for addressing the issue of raising the state minimum wage to a liveable level for working people. I would like to offer that SB 789 does not raise the wage sufficiently high to make it a meaningful change in payscale. I believe, along with many other people I know, that raising the minimum wage to \$17.00 per hour by 2024 is the smallest amount that will actually help working people to pay their bills and end the cliché of every Hawaiian having to work two or three jobs to make ends meet. Please consider modifying this bill to reflect the higher amounts needed for us to pay for the very high cost of living in our beloved home state.

Thank you for hearing my testimony.

Mahalo,

Maria Walker, PO Box 33, Kapa'a, HI, 96746

SB-789

Submitted on: 1/30/2019 7:47:38 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
alex beers	Individual	Support	No

Comments:

To whom it may concern,

Thank you for introducing this bill. I am in strong support of this bill. My hope is that we can raise it to \$17/hr., a living wage.

Aloha,

Alex Beers

20 Kaikai st.

Wailuku, HI

96793

SB-789

Submitted on: 1/30/2019 8:09:41 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lillian Renfro-Robeau	Individual	Comments	No

Comments:

Aloha,

Thank you for introducing bills to raise our minimum wage closer to a living wage, however, \$12.00 per hour is NOT A LIVING WAGE. Research indicates full-time minimum wage workers require at least \$17.00 per hour (PLUS access to employer provided health insurance) in order to cover their basic needs in Hawaii's competitive economy.

Mahalo for your time and consideration.

SB-789

Submitted on: 1/30/2019 9:24:26 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Culbertson	Individual	Comments	No

Comments:

Aloha Senators!

While I belief this bill represents a step in the right direction, I urge you to adopt a more robust and necessary position of increasing the thresholds toward a true living wage - \$17/hr. And to also include health insurance where none is available through current employment.

Mahalo!

R. Culbertson

Paauilo, HI

SB-789

Submitted on: 1/30/2019 11:02:09 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gary Hooser	Individual	Comments	No

Comments:

Aloha Chair and Members,

In short, I encourage the amendment of this measure to achieve a \$17 per hour level.

I respectfully request also that you schedule a hearing on SB744 and SB476 which increase Hawaii's minimum wage to \$17, and include other provisions.

Over the past year I have been working with many others on the effort to gradually increase Hawaii's minimum wage to that of a living, or at least a subsistence wage.

While I am appreciative of the two measures that you have scheduled today, neither propose to increase the minimum wage to a level determined by DBED that is necessary for basic subsistence which they estimate to be approximately \$17 per hour.

SB744 and SB476 both, I believe deserves a hearing so the public might be given the opportunity to weigh in.

Thank you in advance for any positive consideration you can offer in either amending the measure before you to reflect a \$17 goal, and or allowing these additional measures to have a public hearing before your committee.

Respectfully,

Gary Hooser

SB-789

Submitted on: 1/30/2019 11:14:16 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
megan deets	Individual	Support	No

Comments:

SB-789

Submitted on: 1/30/2019 11:53:28 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
JULIA FUJIOKA	Individual	Support	No

Comments:

Please work towards \$17 an hour minimum state wage. It is truly expensive in this high cost of living State of Hawaii to be able to survive on less than this. Thank you for your support!

SB-789

Submitted on: 1/30/2019 12:01:00 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Cole	Individual	Support	No

Comments:

Aloha, please give us a wage we can live on.

Mahalo,

Robert Cole

SB-789

Submitted on: 1/30/2019 12:21:36 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brennan Henders	Individual	Oppose	No

Comments:

SB-789

Submitted on: 1/30/2019 12:40:19 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Polk	Individual	Comments	No

Comments:

Chair Taniguchi and Vice Chair Ihara,

Although I support raising the minimum wage, SB 789 does so much too slowly. A minimum wage of \$17/hour is necessary now to be able to live in Hawaii. Raising it to \$12 four years from now is much too low, and frankly, appears disrespectful of the many low income people on whom we depend. I urge you to pass a bill for increasing the minimum wage quickly to a level on which a person can live.

SB-789

Submitted on: 1/30/2019 12:47:52 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

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

Comments:

Please support all/any legislation that raises our minimum wage. We need an increase to AT LEAST \$17 per hour to even come close to a living wage here, with our continually rising costs of living. This will not solve all problems, but would be a darn good place to start, the sooner the better.

Mahalo,

Shannon

SB-789

Submitted on: 1/30/2019 12:53:51 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Keone M Ishoda	Individual	Support	No

Comments:

SB-789

Submitted on: 1/30/2019 1:08:57 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marcella Mondejar	Individual	Oppose	No

Comments:

SB-789

Submitted on: 1/30/2019 1:16:15 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Claire Gearen	Individual	Oppose	Yes

Comments:

Dear Chair Brian T. Taniguchi,

Thank you for your public service. I had the opportunity to meet you at an end of session town hall meeting a few years ago and appreciated the time you took to communicate with and be available to your constituents.

My name is Claire Gearen, and I am writing in opposition to Senate Bill 789 relating to the minimum wage. I understand that you have reasons for introducing this bill, yet \$12 is not nearly a living wage in Hawaii. I support House Bill 727, House Bill 1191 with qualifications, and Senate Bill 476.

I speak as a middle income earner who is concerned that families and government are footing the bill for low minimum wages that haven't kept up with living expenses. When full time workers can't pay their own expenses, they must rely on the kindness of friends and family. Middle income earners are already stretched thin in our communities. I hope to submit oral testimony as to why at \$17 minimum wage is best for Hawaii.

I look forward to the hearing scheduled for January 31 at 3:00 P.M.

Sincerely,

Claire Gearen

SB-789

Submitted on: 1/30/2019 1:34:52 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristie-Lee P Oshiro	Individual	Support	No

Comments:

SB-789

Submitted on: 1/30/2019 1:51:12 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ellen-Rae Cachola	Individual	Support	No

Comments:

Thank you for introducing these proposals, but SB789, which increases the minimum wage to \$12 by 2022, is still NOT ENOUGH. \$17/hour for the minimum wage is the number we need to reach, along with annual adjustments for inflation and a path toward a true living wage. Mahalo.

SB-789

Submitted on: 1/30/2019 2:14:11 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	Yes

Comments:

taniguchi1 - Jade

From: Robert H Stiver <bobfromoahu@gmail.com>
Sent: Tuesday, January 29, 2019 11:32 PM
To: LCATestimony
Subject: Testimony in SUPPORT of SB1248 & SB789, with amendments

Aloha Chair Taniguchi, Vice Chair Ihara, members,

I support SB1248 and SB789 because both bills propose to give Hawai'i's workers a badly needed raise. However, I ask that you amend the language in these bills to incrementally raise the minimum wage to at least \$17 an hour, the 2019 self-sufficiency wage level according to DBEDT. I also ask that you amend them to include language that automatically adjusts the minimum wage each year by indexing it to the consumer price index, or some other cost of living adjustment. This feature of the legislation is absolutely critical if we hope to provide our working families with a pathway back to the American Dream.

Ensuring that our workforce can provide for itself is good policy because it also benefits businesses. The reality is that workers need to be able to pay for their basic needs if we hope to capture any economic activity from them as consumers. Businesses have always benefited from responsible, phased-in minimum wage increases. In the year of data available after the minimum wage increased from \$7.25 in 2014, Hawai'i saw a 6.4% increase in small businesses. Meanwhile, the number of restaurant server positions has increased by 20% between 2014 and 2018.

But 48% of local families struggle to make ends meet. These are hardworking people, and they deserve a living wage now, and every year afterward.

I'm long retired and comfortable, able to live and eventually die in Hawaii. Not so for so many others trying to make daily ends meet. Let's begin in earnest to level the playing field!

Mahalo,

Robert H. Stiver
Pearl City
455-9823

taniguchi1 - Jade

From: Shaun Campbell <noreply@jotform.com>
Sent: Tuesday, January 29, 2019 10:33 PM
To: LCATestimony
Subject: SUPPORT for SB 789, with amendments

To: Senate Committee on Labor, Culture and Arts

From: Shaun Campbell

Hearing date: Thursday, Jan. 31, 2018, 3 p.m.

Hearing location: Conference room 224

Subject: In support of SB1248: Relating to Minimum Wage

Attending the hearing: No

Dear Senate Committee on Labor, Culture and Arts:

Greetings! Please pass SB789, with amendments, to raise Hawaii's minimum wage.

Massachusetts Institute of Technology's Living Wage Calculator distills a living wage for all counties and metropolitan areas in Hawai'i (See <http://livingwage.mit.edu/states/15/locations>). MIT calculates that for the state of Hawai'i as a whole a living wage for our people is, on average, \$15.73 for an individual. This is for the current year. A living wage needs to be this amount at minimum and pegged with annual increases tied to yearly inflation. While it is a great start to raise the wage to \$12 in 2022, as SB789 would do, the wage should be further increased to \$17.

Thank you for this chance to provide testimony on such an important bill.

taniguchi1 - Jade

From: sherrie emerson <noreply@jotform.com>
Sent: Tuesday, January 29, 2019 2:57 PM
To: LCATestimony
Subject: SUPPORT for SB 789: Relating to Minimum Wage

Categories: Orange Category

TO: Senate Committee on Labor, Culture & Arts
HEARING: Thursday, January 31, 2019, 3 PM
PLACE: Conference Room 224
FROM: sherrie emerson
RE: SUPPORT for SB 789--Relating to Minimum Wage
ATTENDING HEARING: No

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee:

Thank you for this opportunity to provide testimony in support, with amendments, of an increase in Hawai'i's minimum wage.

Hawaii's current minimum wage is a starvation wage. It is not sustainable. It is a cruelty to our citizens. It affects everyone, not just "unskilled" workers.

I for one am not a minimum wage worker and yet I make \$10,000 less per year than I did in 2008.

Costs have skyrocketed while wages remain stagnant. Of the jobs that have returned in the wake of the Great Recession, many now offer lower wages and benefits, leaving Americans without college degrees particularly vulnerable. I for one have experienced this personally. I am a new mother and am terrified at what this stagnation will mean for my baby daughter.

At the current minimum wage, a worker who devoted 100 percent of her earnings towards rent, would still not be able to afford a market-rate apartment, let alone pay for food and transportation.

Testimony to the Senate Committee on Labor, Culture and the Arts

Thursday, Jan. 31st, 2019 @ 3:00pm

Conference Room 224, State Capitol

RE: Senate Bill 789 Relating to Minimum Wage

Name

Tyler Jones

Email

tylercjones@gmail.com

Position: Support - Amend to a Living Wage

Chair Taniguchi, Vice Chair Ihara, and Members of the Committee:

Thank you for your commitments to increasing the minimum wage. While any increase is better than none, the proposed bills fall far short from a business prospective. I highly encourage the bills be amended to set the minimum wage at a living wage, as determined by State of Hawaii, DEBDT. I encourage a gradual increase of approximately 10% annually until a living wage is reached, and it adjusts annually based on costs of living. In 2018 dollars, DEBDT estimates the living wage to be \$17/hour plus medical benefits. Anything less is a poor business decision by the state.

As an active member of the Hawaii business community and a graduate of UH Shidler MBA program, I can appreciate the opportunity for businesses to get a "good deal." Our current practice of allowing businesses to hire labor for less than the costs to keep that labor alive is certainly a great deal for businesses in Hawaii. Unfortunately, the costs to keep labor alive do not go away. They must be paid by someone. We all pay those costs through government subsidy, through poor performance in schools due to parent working 3 jobs and forced to be less involved with child raising, through allowing our family members to pay below market value rent in our

homes so they don't become house less.

Most business minded people will argue against a mandatory living wage. Fortunately, we have decades of economic research and data to prove their concerns are not valid. Our economy needs true increase in demand to sustain longterm growth. Reducing costs of business operations has had some positive impact on growth. But the returns on these endeavors have diminished over the last decade. It is time that we correct the existing market failure and require that businesses pay their fair share in the costs of keeping labor alive. The good news is that almost all economic research shows this is not a zero sum game, and by properly allocating costs, we all benefit.

It is time we grow our economy, improve the overall welfare of the state, and require business pay the costs associated with their reward. Yes, this will cause a relatively small amount of price inflation, and business should pass on this costs to consumers. But wages represent only about 30% of average business expense, and economic analysis from world experiences prove that this increase in costs is more than offset by higher wages. Don't let a \$100 increase in costs prevent a \$400 increase in wage. It's not about equality, or doing what is "right." It's about doing what will benefit the state and provide longterm economic viability. Thank you for your time.

Tyler Jones

taniguchi1 - Jade

From: Antonette Port <portr001@hawaii.rr.com>
Sent: Wednesday, January 30, 2019 12:02 PM
To: LCATestimony
Subject: SB789 Relating to Minimum Wage

Sen. Brian T. Taniguchi, Chair
Committee on Labor, Culture & he Arts

Sen. Les Ihara, Jr., Vice Chair
Committee on Labor, Culture & he Arts

Aloha, Senators,

I appreciate this opportunity to submit testimony on SB 789 with a request for amendments. The following needs to be noted:

- o Hawaii has the second lowest State unemployment rate in the United States at 2.5% versus the current National average of 3.9%. This essentially is regarded by economists as full employment.
- o The current \$10.10 minimum wage equals approximately \$21,000 a year. Individuals currently receiving this wage cannot afford the cost of housing and food in Hawaii, which should be the minimum expected for employees engaged in full time work.
- o Most of Hawaii employment is service oriented and cannot be moved to another State. There needs to be reasonable wage incentives to encourage people to work rather than to give up all hope in their own future. In fact, such wage incentives can even be a factor in reducing homelessness and the tremendous cost to Government of homelessness.
- o In a free and open Democrat Nation, like the United States, there will always be significant differences in income and achievement levels among citizens, but there will always be a need for Democratic nations to provide justice and just wages for its full-time working citizens.
- o I live in an Assisted Living facility in Sen. Taniguchi's district where employees in their 30's, 40's, & 50's are employed full time for \$11.25, \$11.50 & \$12.50 per hour. That level of compensation cannot provide a minimum standard of living for them and their families. Most of these workers have to have a second job, either part-time or full-time.

My request is a simple one. **Whatever amounts you decide to increase the minimum wage, I urge you to please increase the minimum wage this year.** This will give hope to individuals whose compensation is slightly above the minimum wage because when the minimum wage increases, companies have to compete with higher compensation for their employees.

Richard Port, Former Chair



Testimony to the House Committee on Labor and Public Employment

Thursday, Jan. 31st, 2019 @ 9:30am

Conference Room 309, State Capitol

RE: House Bill 1191 Relating to Minimum Wage

Name

Janice Davis

Email

davisw007@gmail.com

Position: Support - Amend to a Living Wage

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

Thank you for your commitment to increasing the minimum wage.

With more than 1 in 3 workers earning less than a living wage, it's necessary we give workers a raise. This is why the Democratic Party has made a living wage their number one priority for the 2019 legislative session.

Although HB1191 does increase the minimum wage to \$17 for some workers, it leaves those receiving health care coverage well below what's needed for them to afford their basic needs.

We are glad that 5 of the 8 labor committee members have come out to publicly support a living wage. The supporters are Chair Aaron Johanson, Linda Ichiyama, Lisa Kitagawa, Angus McKelvey and Sean Quinlan. Therefore we ask that this bill be amended to gradually increase the minimum wage to a living wage for all workers and then be subsequently voted on and passed.

Thank you for your continued support for Hawaii's working families.



O`ahu County Committee on Legislative Priorities (OCCLP)

COMMITTEE ON LABOR, CULTURE AND THE ARTS
Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair

DATE: Wednesday, January 31, 2019
TIME: 3:00 p.m.
PLACE: Conference Room 224 State Capitol

RE: SB 789 Relating to Minimum Wage

Aloha mai kakou Chair Taniguchi, Vice Chair Ihara, and Members of the Committee on Labor, Culture and the Arts:

The O`ahu County Committee on Legislative Priorities (OCCLP) of the Democratic Party of Hawai`i (DPH) hereby submits its testimony in **SUPPORT with amendments of SB 789 relating to Minimum Wage.**

SB 789 increases the minimum wage to \$12.00 per hour beginning 1/1/2022.

DPH believes that the current minimum wage is a starvation wage and must be increased to a living wage. No one who works full time should have to raise a family in poverty. We should earn at least \$15 and hour (preferably \$17 an hour) and have the right to form or join a union and will work in every way we can – in Congress and the Federal government, in the State Legislature and with the private sector – to reach this goal. We also support creating a fair wage for all workers by ending the sub-minimum wage for tipped workers and people with disabilities. *Democratic Party of Hawai`i Platform (2018), p. 5, ln. 37-42.*

For the foregoing reasons, OCCLP supports SB 789 and urges its passage out of the Committee on Labor, Culture and the Arts.

Mahalo nui loa
Me ka `oia`i`o

/s/ Melodie Aduja

Melodie Aduja

Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of
Hawai`i

Ph. (808) 258-8889

Email: legislativepriorities@gmail.com

SB-789

Submitted on: 1/30/2019 3:04:11 PM
Testimony for LCA on 1/31/2019 3:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Angus Raff-Tierney	Individual	Support	No

Comments:

Position: Support - Amend to a Living Wage

Chair Taniguchi, Vice Chair Ihara, and Members of the Committee:

Thank you for your commitments to increasing the minimum wage.

With more than 1 in 3 workers earning less than a living wage, it's necessary we give workers a raise. This is why the Democratic Party has made a living wage their number one priority for the 2019 legislative session.

Although SB789 increases the minimum wage, they are both far short of the \$17 per hour that's needed for a full-time worker to be able to afford their basic needs.

We are glad that 3 of the 5 labor committee members have come out to publicly support a living wage. The supporters are Chair Brian Taniguchi, Stanley Chang, and Mike Gabbard. We ask that both of these bills be amended to gradually increase the minimum wage to a living wage and then be subsequently voted on and passed.

Thank you for your continued support for Hawaii's working families.

COMMITTEE ON LABOR, CULTURE AND THE ARTS

Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair



Date: Thursday, January 31, 2019
Time: 3:00 p.m.
Place: Conference room 224

SB789, RELATING TO MINIMUM WAGE

In SUPPORT, with Amendments

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

I appreciate there being a compact, minimalist bill to raise the minimum wage. While the subject can become complicated, this bill has the virtue of being simple.

I would urge you to reconsider postponing the hike in the minimum wage until 2022. In January 2018, the minimum wage was raised in its final step of four hikes. At that point, it became \$10.10. The intervening year has provided adequate time to review the impact of four successive moderate wage hikes from 2014 to 2018. We have just completed a four year experiment on the effects of a rising minimum wage on both employment and upon employers. Contrary to the alarmist predictions of the business lobbyists, the sky has not fallen. The hikes did not result in a net loss of low wage jobs. Teenagers were not priced out of their jobs. Businesses did not go bankrupt at a higher rate and inflation did not soar out of control.

Employers have a strong and understandable interest in keeping wages low. Workers, understandably, have an interest in wages going up. The minimum wage laws are one tool for policymakers to try to reduce poverty, raise the general standard of living, increase the ability of consumers to buy goods and services, to the advantage of consumers, businesses and their employees. All while not forcing small businesses out of business. The trick is to find "the sweet spot" for the minimum wage, not too high nor too low.

I think the past four years, five now, since we have not raised it this past year, I think the past five years have shown the rate at which the hikes were implemented from 2014 were sustainable and suggest we continue along that trajectory for the coming years.

I believe every worker deserves enough income in exchange for their labor that they can afford a minimum, but decent, standard of living, able to pay for the necessities of life. I believe the current minimum wage is well below that amount. There are a few slightly different estimates of what might constitute a "self-sufficiency wage" in Hawaii, but the figure of about \$17 is being cited. That means the self-sufficiency wage TODAY should be \$17.

I urge this bill be amended to raise the minimum wage in two steps, the first going in effect January 1, 2020, raising it to \$11.25, and a second step hiking it to \$12.50 on January 1, 2021. That will still be significantly lower than a "living wage," but it will help restore some of the value in the minimum wage which has been lost over several decades. Meanwhile, other bills with more steps can be considered as well.

Thank you for the opportunity to testify.

I used this CPI Inflation Calculator from the Bureau of Labor Statistics to calculate the value of the minimum wage I received in 1968 to see how much a worker today would have to be paid in order to have the same purchasing power as I did as a 15 year old kid. Using THAT standard, the minimum wage should be \$11.79 TODAY. By the time any hike passed this year can go into effect, that figure will be over \$12.

CPI Inflation Calculator

\$

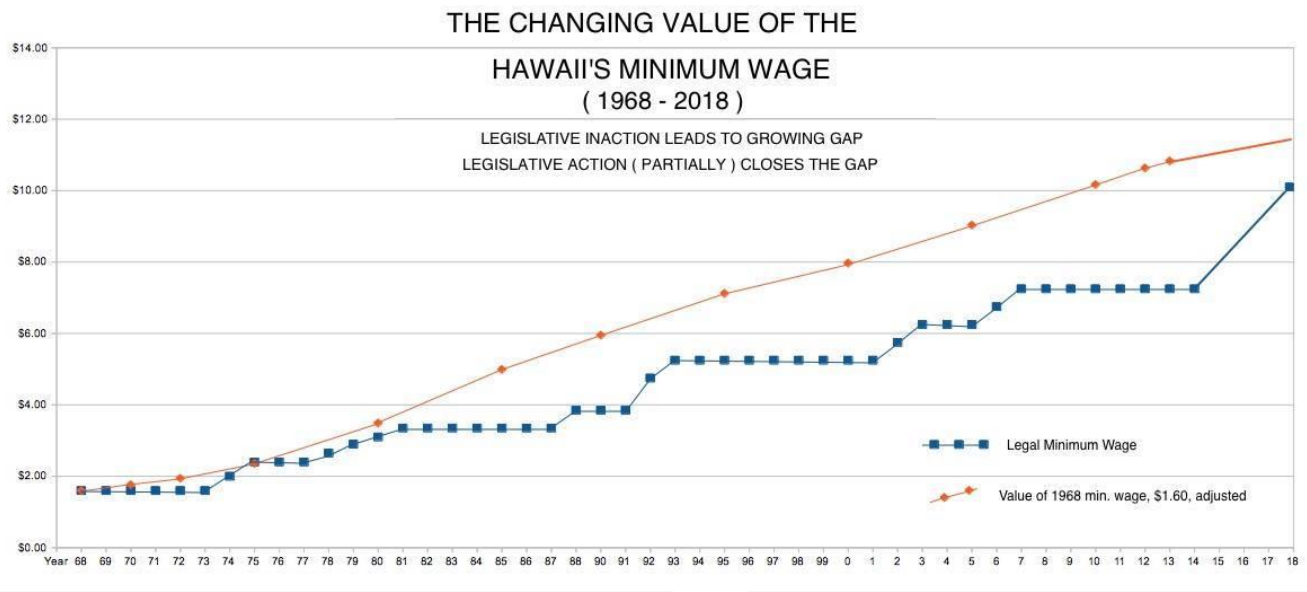
in

has the same buying power as

\$11.79

in

Calculate



SB-789

Submitted on: 1/30/2019 4:03:54 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Onderko	Individual	Support	No

Comments:

HAWAIIAN AFFAIRS CAUCUS
Democratic Party of Hawaii
(e-mail: leimomikhan@gmail.com)



SB789, Relating to Minimum Wage
Hearing, January 31, 2019, 3:00 p.m., Room 224

SUPPORT WITH AMENDMENT

Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair
Members, Committee on Labor, Culture and the Arts

Aloha, Senator Taniguchi, Senator Ihara, and members of the Senate Committee on Labor, Culture and Arts

The Hawaiian Affairs Caucus stands in solidarity with its fellow Democrats in supporting legislation that would raise Hawaii's minimum wage as a path to an affordable living wage.

Thus, we kindly ask that this bill be amended to provide for raising the minimum wage to \$15 by 2021, and eventually to an affordable living wage of \$17.

According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over the next few years.

With the rising cost of purchasing a home in Hawai'i, the current wage makes it almost impossible to qualify to purchase a home, much less rent a place at an affordable cost, while purchasing food and clothing, paying electricity, paying for education, etc. Raising the minimum wage would help to raise the quality of life for Hawaii's working families.

Please pass SB789 with amendment to raise the minimum wage to \$15 by 2021, and eventually to an affordable living wage of \$17.

Me kealoha pumehana

LEIMOMI KHAN
Chair

SB-789

Submitted on: 1/30/2019 4:10:58 PM

Testimony for LCA on 1/31/2019 3:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Daniel R Freund	Individual	Comments	No

Comments:

Why do folks distrust politicians? Because they vote for bills such as this one which offer no real relief to working folks, and then tell their constituents that they supported increasing the minimum wage. How cynical. How sad.



January 31, 2019, 3:00 p.m.

Hawaii State Capitol

Conference Room 224

To: Senate Committee on Labor, Culture and the Arts

Sen. Brian T. Taniguchi, Chair

Sen. Les Ihara, Jr., Vice Chair

From: Grassroot Institute of Hawaii

Joe Kent, Vice President of Research

Re: SB 789 — RELATING TO MINIMUM WAGE

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on Senate Bill 789, which would increase Hawaii's mandatory minimum wage to \$12 an hour in 2022.

The Grassroot Institute of Hawaii is concerned about the possible effect of this legislation on the state's businesses and economy — especially in the case of restaurants, which are already notorious for their razor-thin profit margins.

Moreover, there is evidence to indicate that this bill, if enacted, would fail in its intent to help lift the state's working families out of poverty. Recent years have seen a glut of research demonstrating that far from helping low-wage employees, minimum wage hikes are more likely to increase their economic burden as businesses cut hours, turn to technology or even cut jobs in order to mitigate the higher costs.

In August 2018, a University of Washington study¹ [found](#) that increasing Seattle's minimum wage from \$11 to \$13 an hour resulted in both the loss of about 5,000 jobs and an average cut in pay for the remaining employees of about \$125 a month, thanks to a cut in their job hours of more than 9 percent.

Proponents of a minimum-wage hike often point to a few highly limited surveys that suggest raising the minimum wage can be economically neutral, but the vast majority of research shows the opposite is

¹ Ekaterina Jardim, et al. "Minimum Wage Increases, Wages, and Low-Wage Employment: Evidence from Seattle." NBER Working Paper 23532. National Bureau of Economic Research (Cambridge, Mass.), May 2018
<https://www.nber.org/papers/w23532>

true. Study after study shows that when a municipality drastically raises its legal minimum wage, low-wage employees suffer.

In 2010, researchers from the National Bureau of Economic Research and the Federal Reserve Board compiled the results of 53 scholarly studies into a book, "[Minimum Wages](#)," and concluded there is "no compelling evidence that minimum wages on net help poor or low-income families, and some evidence that minimum wages adversely affect these families, and increase poverty."²

Examining the idea that higher minimum wages will reduce poverty, those same researchers found that the opposite was true. While some low-wage workers do make more money, the gains are offset by loss of employment or hours for other workers. The researchers [found](#) that a minimum-wage hike increases the proportion of poor families by 0.5 to 1 percent.³

The minimum-wage debate is often framed as a fight between businesses and employees. In truth, raising the legal minimum wage can hurt both. Employment declines as businesses find ways to cope with the increased cost. Some stop hiring, some turn to automation, and some demand more work from the employees that stay.

For businesses that already have to contend with low margins and high risks, even a moderate increase in the minimum wage can be sufficient to drive them out of business.

In 2017, Dara Lee Luca of Mathematica Policy Research and Michael Luca of Harvard Business School [looked at](#) restaurant closings in San Francisco after the minimum wage was raised to \$13 an hour. The pair found that the higher minimum wage led to the death of many mid-range restaurants, as well as fewer new restaurant openings. For every dollar that the San Francisco minimum wage went up, there was a 4 to 10 percent increase in the likelihood of restaurant closings.⁴

The Grassroot Institute of Hawaii prefers policies that would strengthen our state's economy and benefit both businesses and employees. Hawaii's business community has made it clear that this bill would not only be a burden, but also have a negative effect on employment in general. Not only would companies in Hawaii be forced to lay off workers or cut hours or benefits in order to afford increased wages, they also likely would slow or even stop new hiring.

If we want to establish our state as a desirable place to do business, we cannot continue to treat company profits as an endless funding source for the state's social initiatives. It is not fair to assume that Hawaii's employers are intentionally underpaying their employees or to assume that the government is more capable of addressing the payroll limitations of a business than the business owner is.

² David Neumark and William L. Wascher, "Minimum Wages," The MIT Press (Cambridge, Mass.), August 2010, <https://mitpress.mit.edu/books/minimum-wages>.

³ "Minimum Wages Redistribute Income Among Low-Income Families," National Bureau of Economic Research (Cambridge, Mass.), Jan. 30, 2019, <https://www.nber.org/digest/jan98/w6127.html>

⁴ Dara Lee Luca and Michael Luca, "Survival of the Fittest: The Impact of the Minimum Wage on Firm Exit," Harvard Business School NOM Unit Working Paper No. 17-088, April 2017 (revised August 2018), <https://www.hbs.edu/faculty/Pages/item.aspx?num=52552>.

In order to help Hawaii’s workers make more money, the state should pursue policies that will make the state more prosperous as a whole. A combination of tax relief and a reduction in the obstacles that the state places in the way of business and entrepreneurship is the best way to move forward, to improve both our economy and the situation of low-wage workers — not a minimum wage bill that would more likely hurt than help Hawaii’s businesses and low-income working families.

Thank you for the opportunity to submit our testimony.

Sincerely,

Joe Kent
Vice president of research
Grassroot Institute of Hawaii



LATE

To: Sen. Brian T. Taniguchi, Chair
Sen. Les Ihara, Jr., Vice Chair
Members on Labor, Culture and The Arts

From: Michael Miller, Tiki's Grill & Bar
Subject: **SB 789** Relating to Minimum Wage
Date: January 30, 2019

Thank you for the opportunity to provide testimony. We, at Tiki's Grill & Bar, hereby oppose House bill **SB 789** Relating to the Minimum Wage.

All of our staff who are paid minimum wage actually bring home between \$15 and \$30 per hour because they earn gratuities by giving excellent service and working hard with each other.

2022 is only a few years away and we have no idea what the economy will look like. Let market determine what companies that are still in business can afford to pay.

Restaurants historically carry slim profit margins, and this is even more challenging in Hawaii, with its existing regulations and cost of living. The implementation of this bill is not free, which at its basic level, reduces the ability of restaurants to provide opportunities by reducing the number of new hires, decreasing the amount that can be spent on current employees, particularly non-tipped employees in the "back of the house."

We will need to raise our prices to stay in business. Our bloodline is our economy, which is based heavily on tourism. If we keep raising our prices, Hawaii will lose visitors to other locales that offer more value to visitors.

Employees have job advancement choices: to move to higher positions within the company or leave for other opportunities. An example of growth within would be to move from a host to waiter or from a dishwasher to a prep-cook. Or an employee leaves us for better opportunities because s/he has learned new skills on the job and has the drive to grow outside the company. Our General Manager started as a busboy and worked his way up. Our Sous Chef worked his way up from a dishwasher to his current position.

We urge you NOT to pass this bill out of committee and say, "Mahalo," for considering our point of view.

Mahalo,

Michael Miller / Director of Operations / michaelm@tikisgrill.com



LATE

**TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
January 31, 2019**

Re: SB 1248 RELATING TO MINIMUM WAGE

Good afternoon Chairperson Baker and members of the Senate Committee on Labor Culture & the Arts. 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 is committed to support 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.

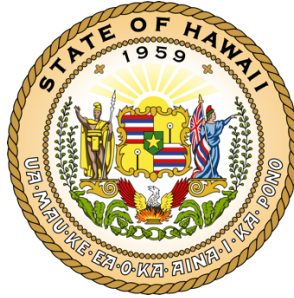
The Retail Merchants of Hawaii strongly opposes SB 1248 Relating to Minimum Wage. While we appreciate the intent of providing an income tax credit to qualifying small businesses, the minimum wage increase will still have harmful consequence on our smaller retailers which face constant and intense competition, not only from other retailers, but also from internet sellers

The impact of a minimum wage increase is exponential, causing a compression of wages between newly hired/inexperienced workers and the veteran/experienced employees. Mandating scheduled adjustments at the lowest tier of the employment scale causes a tremendous and prohibitive increase in overall employment costs. Furthermore, an increase in payroll costs also leads to increases in benefit costs that are based on wages, including unemployment insurance, Social Security and Medicare, workers' compensation premiums, and vacation and holiday pay. We must also factor in that Hawaii mandates healthcare coverage for workers. This is also another benefit that is a cost to employers that we are having to make adjustments for by restructuring our business plans and budget to accommodate the rising cost of healthcare and other mandated expenses.

Over the past few years, the retail industry has seen reasonable growth, with existing companies opening new locations and new retailers entering the marketplace. New retail jobs are being created, with compensation levels based on the current economic conditions, reemployment regulations, and the business philosophy of the employer. Increasing the minimum wage is counterproductive to any further growth of our industry and Hawaii.

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

LATE



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

Prepared for the Senate Committee on Labor, Culture, and the Arts

In Support of SB789, With Amendments
Thursday, January 31, 2018 at 3:00 p.m. in Room 224

Dear Chair Taniguchi, Vice Chair Ihara, and Honorable Members,

On behalf of the Hawai'i State Commission on the Status of Women, I write in support of SB789, with proposed amendments.

Hawai'i should commit to reversing decades of growing inequality in the state. As an agency administratively attached to the Department of Human Services—which provides basic subsistence needs to over 300,000 Hawai'i residents—we also seek to ensure that certain employers do not continue to exploit taxpayers by subsidizing high profits and low wages with state-funded assistance programs.

At present, the wage needed for a single worker to survive in Hawai'i with no children and with employer-provided benefits such as pre-paid health insurance is \$17 per hour, or \$44,451 annually.¹ Filipinas and Native Hawaiian women have the lowest earnings in the state (\$33,000 and \$37,000). Further, a single parent needs \$33 per hour to meet basic needs. Nearly a quarter of all Hawai'i households with children are headed by a single mother (Hess et al. 2015).² Therefore, the Commission recommends \$17 per hour as starting point of any wage increase schedule.

An increase in the minimum wage is possible and already occurring, albeit evenly. The minimum wage falls below current market wages. For example, the starting pay at Target is \$13 to \$16 per hour, Starbucks is \$12.50, Moku Restaurant is \$12 to \$15, Ruth's Chris Steakhouse is \$11.50 plus tips, Zippy's is \$11.50, and McDonald's is \$11.10.

¹ Institute for Women's Policy Research, *The Status of Women in Hawaii*, p. 11, 2017.

² Institute for Women's Policy Research, *The Status of Women in Hawaii*, p. 11, 2017.

The Commission also urges the elimination of a tip credit, which allows sexual harassment to flourish. For example, restaurant servers—a group made up predominantly of women—are more likely to endure harassment and abuse from customers, since their livelihoods depend on the tips.³In fact, the largest share of over 170,000 complaints filed to the Equal Employment Opportunity Commission (EEOC) between 1995 and 2016 were from workers in full-service restaurants.⁴

To lift women workers out of poverty, the Commission respectfully requests that the Committee pass SB789 with the requested amendments.

Mahalo,

Khara Jabola-Carolus

³ The Restaurant Opportunities Centers United, *The Glass Floor: Sexual Harassment in the Restaurant Industry*, Oct. 7, 2014, http://rocunited.org/wp-content/uploads/2014/10/REPORT_TheGlassFloor_Sexual-Harassment-in-the-Restaurant-Industry.pdf.

⁴ Vo, L.T., “ We Got Government Data on Twenty Years of Workplace Sexual Harassment Claims,” Dec. 5, 2017, <https://www.buzzfeednews.com/article/lamvo/eeoc-sexual-harassment-data#.xtkw1pwxX>.

January 30, 2019

To: Senator Brian Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair
Senate Committee on Labor, Culture and the Arts

From: Laura Nevitt, Director of Public Policy
Hawaii Children's Action Network

Re: **S.B. 789– Relating to Minimum Wage State
Capitol, Room 224, January 31, 3:00 PM**

On behalf of Hawaii Children's Action Network (HCAN), I am writing in SUPPORT, with amendments of S.B. 789, which would increase the minimum wage to \$12.00 per hour beginning 1/1/2022

While it is a great start to raise the wage to \$12 in 2022, as SB789 would do, the wage should be further increased to \$17. According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years.

Our state's minimum wage workers earn only \$21,008 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

In addition, our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill should be amended to that effect.

Tipped workers in Hawaii can be paid even less than \$10.10. California, Nevada, Oregon, Washington, Alaska, and two other states instead pay all workers the same minimum wage. This bill should be amended to eliminate the sub-minimum wage for tipped workers in Hawaii.

A higher minimum wage would put additional money in the pockets of the people most likely to spend at their local businesses. Studies have found that higher wages also mean more productive employees and lower turnover, which reduces employers' turnover, hiring, and training costs.

For these reasons, HCAN asks that you pass S.B. 789 with amendments.

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

SB-789

Submitted on: 1/31/2019 9:19:08 AM

Testimony for LCA on 1/31/2019 3:00:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Neal Chantara	Individual	Oppose	No

Comments:

I am opposed to increasing the minimum wage. It is counterproductive for the workers. It hurts small businesses. It tips the balance for large businesses to put in automated devices that replace workers. Do not increase the minimum wage.

LATE

Testimony to the Senate Committee on Labor, Culture and the Arts

Thursday, Jan. 31st, 2019 @ 3:00pm

Conference Room 224, State Capitol

RE: Senate Bill 789 Relating to Minimum Wage

Name

Rick Merker

Email

rickmerker@gmail.com

Position: Support - Amend to a Living Wage

Full time employment at Hawaii's current minimum wage continues to leave workers in poverty in our state. One job should be enough. I support a living wage and SB789, SB1248, and HB1191 are a step in the right direction.

LATE

SB-789

Submitted on: 1/31/2019 9:45:05 AM
Testimony for LCA on 1/31/2019 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Denver Saxton Coon	Testifying for Trilogy Corporation	Support	No

Comments:

Trilogy Excursions employs close to 100 employees and believes this bill is a reasonable step in a good direction.

SB-789

Submitted on: 1/28/2019 8:11:38 PM

Testimony for LCA on 1/31/2019 3:00:00 PM

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

Comments:

Dear Chair Taniguchi, Vice Chair Ihara, and members of the Committee:

Thank you for this opportunity to provide testimony in support, with amendments, of an increase in Hawai'i's minimum wage.

While it is a great start to raise the wage to \$12 in 2022, as SB 789 would do, the wage should be further increased to \$17. According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawai'i was close to \$16 an hour in 2016. After adding inflation, the self-sufficiency income is \$17 in 2019. Accordingly, this bill should be amended to raise the wage to at least \$17 over a number of years.

But our state's minimum wage is \$10.10 an hour, or only \$21,000 a year for full-time work. It's no wonder that so many Hawai'i residents are struggling with poverty and homelessness. Our cost of living is the highest in the country mainly because of our sky-high housing costs. To rent a market-rate one-bedroom apartment, a you'd have to make over \$57,000 a year (or \$27.44 an hour).

Our minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill should be amended to that effect.

In addition, many hard-working people in Hawai'i are paid less than even \$10.10 an hour because they get tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

Mahalo for your consideration of this testimony in support, with amendments, of SB 789.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON LABOR, CULTURE & THE ARTS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224
THURSDAY, JANUARY 31, 2018 AT 3:00P.M.**

To The Honorable Brian T. Taniguchi, Chair;
The Honorable Les Ihara, Jr., Vice Chair; and
Members of the Committee on Labor, Culture and the Arts,

TESTIMONY IN OPPOSITION TO SB 789 RELATING TO MINIMUM WAGE

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce with approximately 650 members. I am writing to share our opposition to SB 789.

The Maui Chamber of Commerce supports a living wage and helping employees to earn a living wage. However, we oppose the proposed bill to increase the minimum wage to \$12 per hour in 2022. We feel there should not be any further legislation to increase the minimum wage at this time because we do not yet know the implications of this year's increase and the effects of a new increase as there have not been any studies completed to assess the economic impact.

Please see the attached Maui Chamber of Commerce Position Statement on A Minimum Wage Increase for more information.

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

Sincerely,

Pamela Tumpap

Pamela Tumpap
President

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



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

Minimum Wage Position Statements

A Minimum Wage Is A Starting Wage

Hawaii residents face a high cost of living which can lead some to recommend increasing the Minimum Wage. However, the Minimum Wage is a starting wage for unskilled labor. It is very different from and should not be confused with a living wage which is paid to skilled workers with knowledge and experience that improves performance and adds value to the organization.

The Maui Chamber of Commerce finds that a majority of its members pay employees above the minimum wage for their skilled workforce. We support internships and training programs that help our youth and workers increase their skills to increase their income to a living wage and beyond.

Comparing Hawaii to Other States with Respect To A Minimum Wage Increase Dismisses Distinct Differences

Hawaii businesses face one of the highest costs of doing business in the nation. This includes higher labor costs, fuel and electric rates, health insurance and more. National models of \$15 per hour are being proposed that exceed the previous White House recommendation of \$10.10 per hour (with the Obama Administration) or the higher number being discussed of \$12/hour; however, Hawaii is now at \$10.10 per hour as of January, 2018. While this increase passed, it came with great controversy during the legislative session given national and global financial uncertainty and no economic analysis to predict the impact on businesses.

A Minimum Wage also creates what is known as a wage compression, meaning a compression between wages paid to unskilled labor and skilled labor that results in a wage inflation. Even employers who currently pay more than the minimum wage well understand that other employees will also expect a wage increase when new employees are automatically paid more, which raises wage costs across the board.

When considering Minimum Wage increases, the Maui Chamber of Commerce supports State analysis on the impacts to businesses, the economy and residents before passing a Minimum Wage increase as businesses will be hit with higher costs that do not equate to higher skill levels or improved productivity and those costs will be passed on to consumers. Studies show that rising consumer prices disproportionately hit those who can least afford to pay for it. Floating incomplete legislation comes at a tremendous cost to the taxpayers. Therefore, financial, economic and business studies should be conducted, understood and communicated to the public before any further Minimum Wage increases are enacted.



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Small Businesses Don't Have The Same Economies of Scale

Our County and State are made up of many small businesses who cannot take advantage of economies of scale that larger companies can without increasing costs.

While many of our Chamber members pay more than the current minimum wage and are willing to consider reasonable Minimum Wage increases, the Maui Chamber was unified with Chambers of Commerce across the state that even the \$10.10 per hour minimum wage increase (which went into effect January, 2018) would create a hardship for many businesses, particularly small businesses. Close to 90% of our members are small businesses with 25 or fewer employees. While the economy is picking up, many are still operating with fewer employees than before, less financial resources, more difficulty in borrowing needed capital, and are struggling to keep up with rising costs that are beyond their control, especially rising health care costs. They need an environment where they can stabilize their business, then grow and thrive.

Unless government can prove how raising the Minimum Wage to beyond \$10.10 per hour will allow them to grow their business and create jobs (instead of eliminating internships and lower level positions and passing on higher costs to consumers) then the Maui Chamber of Commerce opposes any further increase and encourages a small business exemption.

We Support Focus On A Living Wage

A Minimum Wage increase is not the answer to reducing poverty. Of the 1.8 million people earning the minimum wage, only 20.8% of them are the head of their household. The rest are students or young adults. Many of those are part of households well above the poverty line. Reports show that we are talking 4% of the population.

The minimum wage was never meant to be living wage. It is an entry level, training wage. Employers pay more for skilled labor, which incentivizes employees to gain additional skills. Many workers, particularly youths, need the experience of having a job, learning the discipline of holding a job, developing a strong work ethic, gaining people skills (courtesy, being helpful), etc. These skills are important. Studies show that youths that started to work early in their lives were much better suited for the workforce as adults. With less opportunities available to them, they will be at a disadvantage when seeking a career.

Many elderly employees are retired, receiving social security, have spouses who receive a pension, etc. and are working to receive medical coverage. With a higher minimum wage increase, many of them will be lose their jobs and medical coverage when companies must cut expenses to survive. Instead of arbitrarily increasing the Minimum Wage, the Maui Chamber of Commerce supports further investment in education and programs to increase skill levels as capable employees have more and better opportunities to make a Living Wage.

From: [Julia Wieting](#)
To: [LCATestimony](#)
Subject: Testimony in SUPPORT of SB1248 & SB789, with amendments
Date: Friday, February 1, 2019 12:47:54 PM



Aloha Chair Taniguchi, Vice Chair Ihara, members,

I support SB1248 and SB789 because both bills propose to give Hawai'i's workers a badly needed raise. However, I ask that you amend the language in these bills to incrementally raise the minimum wage to at least \$17 an hour, the 2019 self-sufficiency wage level according to DBEDT. I also ask that you amend them to include language that automatically adjusts the minimum wage each year by indexing it to the consumer price index, or some other cost of living adjustment. This feature of the legislation is absolutely critical if we hope to provide our working families with a pathway back to the American Dream.

Ensuring that our workforce can provide for itself is good policy because it also benefits businesses. The reality is that workers need to be able to pay for their basic needs if we hope to capture any economic activity from them as consumers. Businesses have always benefited from responsible, phased-in minimum wage increases. In the year of data available after the minimum wage increased from \$7.25 in 2014, Hawai'i saw a 6.4% increase in small businesses. Meanwhile, the number of restaurant server positions has increased by 20% between 2014 and 2018.

But 48% of local families struggle to make ends meet. These are hardworking people, and they deserve a living wage now, and every year afterward.

Mahalo for your time,
Julia Wieting