



**Testimony to the House Committee on Pandemic & Disaster Preparedness
Thursday, February 3, 2022, at 10:00 A.M.
Conference Room 309 & Videoconference**

RE: HB 2501 Relating to Pandemic Leave

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

The Chamber of Commerce Hawaii ("The Chamber") **does not support** HB 2501, which provides paid leave for certain employees required to stay home from work or prohibited from returning to work because of COVID-19 exposure who submit to a test within three days of being notified of the exposure and receive negative test results.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 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.

HB 2501 penalizes employers for complying with the Department of Health and/or CDC guidelines. More importantly, it penalizes employers for protecting the health and safety of its current workforce from potentially being exposed to COVID-19 in the workplace. Although the numbers have been trending downward, there is nothing to say that we may be faced with another surge in cases that could force businesses to shut down and ultimately slow Hawaii's economic recovery.

Under this bill, Hawaii's small businesses would be required to make a difficult decision. Either expose employees to someone who is asymptomatic and could later exhibit symptoms or quarantine the employee who has been exposed and provide the employee with paid leave. If the employer brings the employee back too early and they test positive and expose others in the workplace, it could cripple a small business's entire workforce. If other employees are exposed in the workplace, it would place those affected out on Worker's Compensation leave because the employees contracted the virus in the workplace (increasing the employer's premiums). This would potentially result in a shutdown of the small business because it does not have enough employees to run its operations.

Ultimately, this bill would cause some small businesses to be severely financially impacted to the point that they may go out of business due to such legislation. In an economy that is already struggling due to the pandemic, this bill would come at the wrong time for keeping our small businesses afloat.

Thank you for the opportunity to testify.



Hawaii
Children's Action Network Speaks!
Building a unified voice for Hawaii's children

Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committee on Pandemic & Disaster Preparedness

Re: **HB 2501 – Relating to Pandemic Leave**
Hawai'i State Capitol, Via Videoconference Conference, Room 309
February 3, 2022, 10:00 AM

Dear Chair Ichiyama, Vice Chair Eli, and committee members,

On behalf of Hawai'i Children's Action Network Speaks!, I am providing COMMENTS about HB 2501, relating to pandemic leave. This bill would provide for paid leave for certain employees required to stay home from work or prohibited from returning to work because of COVID-19 exposure who submit to a test within three days of being notified of the exposure and receive negative test results.

The COVID-19 pandemic is showing us that paid sick leave is a critical public health tool, because we are all connected. The lack of paid sick time for all workers in Hawai'i comes at a cost to not only those workers and their families, but also local businesses, our overall economy, and our community's health.

This bill would provide paid leave only to workers who test NEGATIVE for COVID-19, while it is arguably more important to provide paid leave to those who test POSITIVE in order to prevent the spread of the virus. Therefore, **we believe this bill should also include paid leave for workers who test positive for COVID-19 and for any worker who must stay home to care for a family member that is sick with the virus.**

Without paid sick time, workers who can't afford to go without pay have no choice but to show up at work COVID-19 positive. They risk spreading the disease and imposing costs on their employers through lost productivity and causing businesses to close.¹

Researchers have found that **workers without paid sick time are 1.5 times more likely to go to work with a contagious illness than those who have paid sick time.**² And now, with the new more contagious variants, paid sick time is even more important to stopping the spread of COVID-19.

When parents don't have paid sick time, they have no choice but to send a sick child to school or child care. The evidence shows **that parents without paid sick time are more than twice as likely to send a**

¹ <https://equitablegrowth.org/research-paper/paid-medical-leave-research/>

² <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/paid-sick-days-lead-to-cost-savings-savings-for-all.pdf>



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sick child to school or child care as those with paid sick time.³ That risks the health of other children, teachers, and child care providers, leading to higher rates of contagion and business closures for all.

A study published in *Health Affairs* shows how important paid sick time is in the fight against COVID-19. In 2020, the federal government provided millions of workers across the nation with paid sick time for the first time. When researchers looked into the effects of the law, they found that it was successful in “flattening the curve” by reducing infections by about 400 cases per day in states that previously did not have paid sick time laws. That averages to one case per day per 1,300 workers.⁴⁵

At the national level, many of the **workers who interact the most with the public are the most likely to lack paid sick time**, including 81% of those who work in food service and 75% of those in child care centers. At the local level:

- **Less than half (45%) of leisure and hospitality workers in Hawai'i reported they had paid sick time** in a 2019 Bank of Hawai'i study.⁶
- **About two out of five (42%) of private sector workers in Hawai'i do not have paid sick time**, according to a 2015 analysis by the Institute for Women's Policy Research.⁷

Missing work without pay due to illness can devastate families' budgets, especially here in the highest-cost state in the nation. According to the Economic Policy Institute, missing half a day of work can mean giving up a month's worth of fruits and vegetables, two days is equivalent to a month of gas, and a week can lead to missing a month's rent or mortgage payment.⁸

Mahalo for the opportunity to provide these comments. If you decide to pass this bill, please amend it to extend this pandemic leave to ALL workers who need paid sick time due to the pandemic.

Thank you,

Nicole Woo
Director of Research and Economic Policy

³ <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/healthy-kids-healthy-schools-the-case-for-paid-sick-days.pdf>

⁴ <https://iwpr.org/iwpr-issues/esme/paid-sick-days-access-and-usage-rates-vary-by-race-ethnicity-occupation-and-earnings/>

⁵ <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00863>

⁶ https://s3.amazonaws.com/cfsi-innovation-files-2018/wp-content/uploads/2020/02/03230029/Hawaii_Financial_Health_Pulse.pdf

⁷ <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/workers-access-to-paid-sick-days-in-the-states.pdf>

⁸ <https://www.epi.org/publication/work-sick-or-lose-pay-the-high-cost-of-being-sick-when-you-dont-get-paid-sick-days/>



MAUI

CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON PANDEMIC &
DISASTER PREPAREDNESS
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309
THURSDAY, FEBRUARY 3, 2022 AT 10:00 A.M.**

To The Honorable Linda Ichiyama, Chair;
The Honorable Stacelynn K.M. Eli, Vice Chair; and
Members of the Committee on Pandemic & Disaster Preparedness,

OPPOSE HB2501 RELATING TO PANDEMIC LEAVE

The Maui Chamber of Commerce opposes HB2501 as it would severely impact businesses during this already difficult time.

This bill is problematic as it seems to blame the employer if they enforce the CDC guidelines of a 5 day quarantine if the employee is not up to date on COVID-19 vaccinations and seems to suggest employers do not follow these guidelines and allow employees back to work after a negative test on day 3. If this bill is passed, it also puts employers in a very difficult position to choose between following CDC guidelines and paying additional sick leave time or bringing an exposed employee back too soon, putting more people at risk. Owners and managers care about their employees and are innovative. We know there are other creative solutions like shifting schedules, allowing employees to work from home, and make up hours that businesses are implementing to take care of their employees while also keeping everyone safe.

If this passed, it could devastate businesses at a time when they are facing a severe workforce shortage (with one factor being the lack of affordable housing and rentals with residents moving off island and newcomers unable to take jobs as they can't find housing, which you can help with) and trying to recover.

For these reasons, we ask you to defer this bill.

Sincerely,

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.