



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

Testimony of David Y. Ige  
Governor of Hawaii

Before the  
**Senate Committee on Labor, Culture and the Arts**  
March 12, 2020  
3:15 p.m., Room 224

In consideration of  
**HB 2541, HD1**

**RELATING TO HELPING WORKING FAMILIES.**

Chair Taniguchi, Vice Chair Ihara, and committee members:

Thank you for the opportunity to testify in strong support of House Bill 2451 HD1, which helps Hawaii's working families by making the State earned income tax credit refundable, increases the refundable food/excise tax credit, and increases the minimum wage.

The changes proposed in this bill align with my priorities to improve family incomes and help counter the high cost of living in Hawaii. HB2541 HD1 is about more than raising the minimum wage. This bill also adjusts tax credits and I support the comprehensive and diversified approach to bring relief to working families.

By making positive changes to the earned income and food/excise tax credits and pairing it with an increased minimum wage, we take a more sustainable approach to help working families without placing the full burden on businesses that drive our economy. We must also ensure that we do not negatively impact eligibility of programmatic benefits of those that we are trying to help the most. This is no doubt a complicated and tricky balance.

Further, with a rapidly changing backdrop of the current world health crisis, the impact on Hawaii's key industries moving forward, and changes in short and long term worldwide and local economic forecasts, it is important that we level-set and phase in minimum wages appropriately while concurrently exercising other methods of assistance to workers.

Thank you for the opportunity to testify on this important measure.

DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LIEUTENANT GOVERNOR



SCOTT T. MURAKAMI  
DIRECTOR

ANNE EUSTAQUIO  
DEPUTY DIRECTOR

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

830 PUNCHBOWL STREET, ROOM 321  
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Phone: (808) 586-8844 / Fax: (808) 586-9099  
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March 12, 2020

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, March 12, 2020  
Time: 3:15 p.m.  
Place: Conference Room 224, State Capitol

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

**Re: H.B. No. 2541 H.D. 1 RELATING TO HELPING WORKING FAMILIES**

**I. OVERVIEW OF PROPOSED LEGISLATION**

Part 3 of HB2541 HD1 proposes to amend section 387-2, Hawaii Revised Statutes (HRS), by increasing the minimum wage rate from \$10.10 to \$11.00 per hour on January 1, 2021; and \$12.00 per hour on January 1, 2022; \$12.50 on January 1, 2023, and \$13.00 per hour on January 1, 2024.

The DLIR strongly supports this measure as part of the collective effort by the Governor, the Legislature, and Community Leaders to address income inequality through a package of bills that address the high cost of living in Hawai'i and will directly support individuals and families who are struggling the most to make ends meet. The Department recognizes that the impacts of the COVID-19 situation requires prudent and responsible actions.

**II. CURRENT LAW**

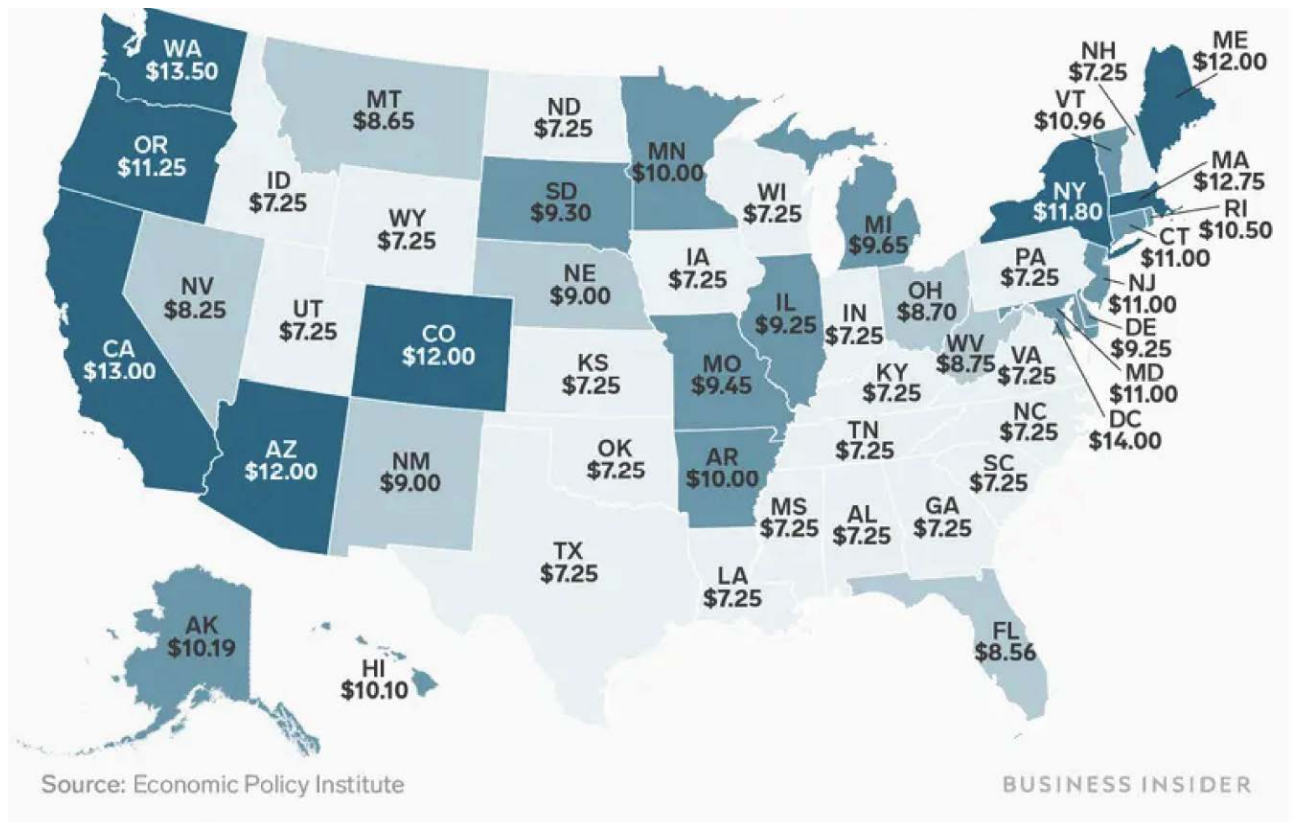
The current minimum wage rate is \$10.10 per hour. Act 82, Session Laws of Hawaii 2014, incrementally increased the minimum wage from \$7.25 to \$10.10 an hour over the course of four consecutive years (2015-2018).

### III. COMMENTS ON THE HOUSE BILL

The purpose of the minimum wage law pursuant to the Fair Labor Standards Act of 1938 was to stabilize the post-depression economy and protect the, “health, efficiency, and general well-being of workers...”

The minimum wage had its highest purchasing power in 1968, when it was \$1.60 per hour (equivalent to \$12.00 in July 2019 according to the Bureau of Labor Statistics (BLS)).

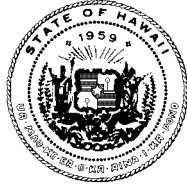
Fifteen states and the District of Columbia currently have minimum wage rates higher than Hawaii.



Alaska: \$10.19  
Arizona: \$12.00  
California: \$13.00 (employers with 25 or fewer employees, have one year to comply)  
Colorado: \$12.00  
Connecticut: \$11.00 (\$12.00 September 2020)  
District of Columbia: \$14.00 (\$15.00 July 2020)

Maine: \$12.00  
Maryland: \$11.00  
Massachusetts: \$12.75  
New Jersey: \$11.00  
New York: \$11.80 (\$12.50 December 2020)  
Oregon: \$11.25 (\$12.00 July 2020)  
Rhode Island: \$10.50  
Vermont: \$10.96  
Washington: \$13.50

DAVID Y. IGE  
GOVERNOR



PANKAJ BHANOT  
DIRECTOR

CATHY BETTS  
DEPUTY DIRECTOR

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

March 10, 2020

TO: The Honorable Senator Brian T. Taniguchi, Chair  
Senate Committee on Labor, Culture and the Arts

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2541 HD1 – RELATING TO HELPING WORKING FAMILIES**

Hearing: March 12, 2020, 3:15 p.m.  
Conference Room 224, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports the intent of the bill, though defers to the Departments of Taxation and Budget & Finance, as to implementation and fiscal implications.

**PURPOSE:** Makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024. (HD1)

Earned income tax credits benefit low to moderate income working families with children. Current DHS administrative rules disregard federal earned income tax credits for financial assistance programs. To implement a state refundable earned income tax credit program, similarly, DHS will need to amend its administrative rules to disregard state earned income tax credits so that families will experience the maximum positive increase to their families' income. Improving family incomes will add to the overall economic stability of Hawaii's families.

Additionally, the Legislature may want to consider funding outreach efforts so that more eligible families submit tax returns and receive the existing federal EITC, as well as funding appropriate tax preparation services to reduce overpayments because of errors.

Increases to the state minimum wage would impact eligibility for our assistance and benefit programs as they are means tested. To minimize the adverse impact an increase in wages would have to our current recipients of assistance and benefits, DHS requests that there be consideration to adjusting the effective date of this measure to allow for adequate time to make necessary rule and system changes to accommodate the wage increases.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR

JOSH GREEN M.D.  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

P.O. BOX 259  
HONOLULU, HAWAII 96809  
Phone: (808) 587-1540  
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RONA M. SUZUKI  
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE  
DEPUTY DIRECTOR

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

From: Rona M. Suzuki, Director  
Department of Taxation

**Re: H.B. 2541, H.D. 1, Relating to Helping Working Families**

Date: Thursday, March 12, 2020

Time: 3:15 P.M.

Place: Conference Room 224, State Capitol

The Department of Taxation (Department) **strongly supports** H.B. 2541, H.D. 1. This measure makes numerous amendments to assist working families, including the following:

- Amends the earned income tax credit (EITC) to make it permanent and refundable;
- Increases the refundable food/excise tax credit to \$150 per exemption;
- Amends the income threshold for the food/excise tax credit to \$30,000 for taxpayers filing as single and to \$50,000 for taxpayers filing as head or household, married filing separate, and married filing jointly; and
- Defines Hawaii earned income using federal definition of “earned income” found in section 32 of the Internal Revenue Code.

The bill is effective upon approval and the amendments to the EITC and the refundable food/excise tax credit apply to taxable years beginning after December 31, 2019.

The Department’s “*Earned Income Tax Credit Report*” indicates that the EITC was claimed on **55,656 returns, totaling \$15 million in credits in Tax Year 2018**. The IRS reports that there were 94,000 claims totaling \$206 million for Hawaii in Tax Year 2018.<sup>1</sup> **Changing this credit to refundable will increase the number of claims, benefiting working people.**

The Department’s “*Report on Tax Credits Claimed by Hawaii Residents for Tax Year 2017*” indicates that the Refundable Food Excise Tax Credit was claimed on **248,995 individual income returns, totaling \$29.9 million**. Changing the credit to \$150 per exemption will result in additional credits and refunds for working people.

Adding Hawaii “earned income” to the measure of the income threshold for the food and

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<sup>1</sup> Internal Revenue Service, Earned Income Tax Credit & Other Refundable Credits, [Statistics for 2018 Tax Returns with EITC](#), as of January 28, 2020, 5PM.

excise credit will focus this credit on the employed workforce, potentially decreasing the number of taxpayers eligible for this credit.

The Department will be able to administer the tax provisions of this measure with its current effective date.

Thank you for the opportunity to provide testimony in support of this measure.



Aloha United Way

Aloha United Way  
200 N. Vineyard Blvd., Suite 700  
Honolulu, Hawaii 96817

March 10, 2020

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

HB 2541, HD1: STRONG SUPPORT

Hearing: March 12, 2020; Hearing Time 3:15; Conference Room 224

Aloha Chair Taniguchi, Vice Chair Ihara, and Committee Members:

Aloha United Way strongly supports HB 2541, HD1 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541 will increase the minimum wage with more gradual changes so that employers have time to adjust. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population.

Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541, HD1.

Sincerely,

A handwritten signature in black ink, appearing to read "Norm Baker".

Norm Baker  
Interim President & CEO



**Chair Brian Taniguchi**  
**Vice Chair Les Ihara, Jr**

**Senate Committee on Labor, Culture & the Arts**

**Thursday, March 12, 2020**  
**3:15 PM**

**TESTIMONY OFFERING COMMENTS ON HB2541 HD1 RELATING TO HELPING  
WORKING FAMILIES**

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

My name is Jun Shin. I am a Sophomore at the University of Hawai‘i at Mānoa, and currently serve as the Environmental Justice Action Committee Chair for the Young Progressives Demanding Action (YPDA). Today, I am testifying as an **individual**, offering **comments** on **HB2541 HD1**, Relating to Helping Working Families.

Notably the state earned income tax credit (EITC) becoming both refundable and permanent is something I support. It is very important for low-income and working class households, helping those living paycheck to paycheck pay the taxes they owe the state and have some money left over to take care of things like student debt and bills.

What I consider one of the most important parts of this bill is the raise in the minimum wage. As someone who mainly works on environmental issues, I understand that poverty is a climate issue. Having a living wage is an important environmental issue. Hawai‘i is going to need jobs to implement our renewable energy goals. We need jobs in clean and renewable energy to combat the climate crisis, but it’s important that these jobs pay a livable wage so that workers and their families can survive. You can’t survive with \$13/hr now in 2020 or ever here in Hawai‘i. The Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai‘i needs to earn \$17.63/hr to “meet their basic needs” in 2020. Others have said it's even higher. We need to at least **raise the minimum wage to at least \$17 by 2025**. Ultimately, you really can’t replace the importance of having a decent wage in order to survive.

We should be concerned from a public interest perspective seeing this measure being basically fast tracked through the legislature. The public is losing an important opportunity to provide input, and working families are not even being invited to the table as the fate of this bill seems

pre determined. The package contains important economic issues that should be dealt with in different bills and deliberated on in a longer period of time. We can potentially lose amazing parts of this package like the refundable and permanent EITC, which the legislature is already considering in a separate bill (SB2309) because there are issues within HB2541 like the \$13 gradual raise in the minimum wage and food/excise tax credits. **Please reconsider this approach.**

Mahalo for the opportunity to testify,

Jun Shin,  
1561 Kanunu Street  
Honolulu, HI 96814  
Cell: 808-255-6663  
Email: junshinbusiness729@gmail.com



Pono Hawai'i Initiative

Josh Frost - President • Patrick Shea - Treasurer • Kristin Hamada  
Nelson Ho • Summer Starr

Thursday, March 12, 2020

Relating to Helping Working Families  
Testifying with Comments Only

Aloha Chairs and members of the committee,

The Pono Hawai'i Initiative (PHI) **provides comments only on HB2541 HD1, Relating to Helping Working Families.** This measure makes the state earned income tax credit (EITC) permanent and refundable. The bill also would increase and amend the refundable food/excise tax credit and phase in an increase to the minimum wage to \$13 an hour by 2024.

PHI supports the intent of the bill and thanks the Committees the opportunity to testify and work together to create an even stronger measure for the people of Hawai'i.

The minimum wage section of the measure is a blatant step back from last session where \$15 minimum wage made it to conference, this year's compromise is a meager \$13 an hour by 2024. Unfortunately, Hawai'i Department of Business, Economic Development and Tourism has stated that a person needs to make \$17 an hour just to survive in 2019. Clearly \$13 an hour by 2024 will be woefully behind in providing for the needs of Hawaii's families.

Community advocates as well as the Democratic Party of Hawai'i have been calling for an increase compromise of \$15 an hour since 2018. Why have we now gone backwards? According to the ALICE report, after allocating monies to pay for expenses such as housing, childcare, food, taxes, healthcare and transportation, a family of four needs to earn roughly \$77,000 a year simply to survive. That would break down to \$38,500 per parent. \$13 an hour, working 40 hours a week, 52 weeks a year (meaning no vacation) comes out to only \$27,040 – almost \$10,000 short of what would be needed to survive. As Speaker Saiki said in a press release at the start of session, "Every dollar counts when you are trying to stretch each paycheck just to meet basic needs." Let's not shortchange the working people of Hawai'i, especially not while our local State government and elected officials receive raises.

Hawaii's working families deserve better. They deserve to be able to survive working one fulltime job. **PHI requests that HB2541 be amended to increase the minimum wage to \$17 an hour by 2024. Additionally, we request that increases beginning in 2025 be tied to the Consumer Price Index (CPI) and that the Committees eliminate the tip credit entirely.**

Please support working families and lets truly work to end Hawaii's cycle of poverty. **PHI urges you to pass HB2541 with the amendments stated above.**

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

Mahalo for the opportunity,  
Gary Hooser  
Executive Director  
Pono Hawai'i Initiative

**HB-2541-HD-1**

Submitted on: 3/9/2020 2:31:06 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Younghi Overly	Testifying for AAUW of Hawaii	Support	No

Comments:

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

Members of AAUW of Hawaii are grateful for this opportunity to submit a comment for HB2541, which would make the state earned income tax credit refundable and permanent, and increase minimum wage to \$13 per hour by 2024.

We support making the EITC refundable and permanent for that would benefit the working-class families by allowing them to keep more of what they earn. The EITC would reduce the number of households headed by single mothers receiving cash welfare according to The Center on Budget and Policy Priorities and the EITC is especially important to women who typically earn less than men. Help the working-class families, single mothers and their children by passing this bill.

While it is a great start to increase to \$13 by 2024, we request that the minimum wage to be increased to \$17. Living wage in Hawaii for a single person as of January 2019 was \$15.73 and \$27.47 for a person with one child<sup>[1]</sup>. To rent a market-rate one bedroom apartment, a single person has to make over \$57,000 a year or \$27.44 per hour.

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 level<sup>[2]</sup>. We request that this bill be amended to increase 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 650 active members with over 3800 supporters statewide. As advocates for gender equity, AAUW of Hawaii promotes the economic, social, and physical well-being of all persons.

Please pass this bill with the amendment to \$17 requested and mahalo.

Public Policy Committee, AAUW of Hawaii

publicpolicy-hi@aauw.net

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[1] <https://livingwage.mit.edu/states/15>

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

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Make EITC Refundable, Increase Food/Excise Credit

BILL NUMBER: HB 2541, HD-1

INTRODUCED BY: House Committees on Labor & Finance

EXECUTIVE SUMMARY: Makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

SYNOPSIS: Part I of the bill amends section 235-55.75, HRS, to make the earned income tax credit (EITC) refundable. Also provides that credits earned in 2018 and 2019 that exceeded tax liability may be carried forward to and including calendar 2022.

Part II of the bill amends section 235-55.85, HRS, to change the threshold for the refundable food/excise tax credit to: (1) for taxpayers with a filing status of single or surviving spouse, Hawaii earned income of less than \$30,000 and federal adjusted gross income less than \$30,000; or (2) for taxpayers with a filing status of head of household, married filing separately, or married filing jointly, Hawaii earned income of less than \$50,000 and federal adjusted gross income less than \$50,000. Increases the credit amount to \$150 per qualified exemption. For taxpayers married filing separately, a husband and wife filing separate tax returns for a taxable year for which a joint return could have been filed by them shall claim only the tax credit to which they would have been entitled had a joint return been filed.

Defines "Hawaii earned income" as:

(A) Wages, salaries, tips, and other employee compensation subject to Hawaii net income tax, but only if these amounts are includible in gross income for the taxable year; and

(B) The amount of the taxpayer's net earnings from self-employment subject to Hawaii net income tax for the taxable year (within the meaning of section 1402(a) of the Internal Revenue Code); provided that the net earnings shall be determined with regard to the deduction allowed to the taxpayer by section 164(f) of the Internal Revenue Code [the deduction for one-half of self-employment taxes that is taken above the line].

For purposes of this definition:

(A) The Hawaii earned income of an individual shall be computed without regard to any community property laws;

(B) No amount received as a pension or annuity shall be taken into account;

(C) No amount to which section 871(a) of the Internal Revenue Code applies (relating to income of nonresident alien individuals not connected with United States business) shall be taken into account;

(D) No amount received for services provided by an individual while the individual is an inmate at a penal institution shall be taken into account;

(E) No amount received for service performed in work activities as defined in paragraph (4) or (7) of section 407(d) of the Social Security Act [42 U.S.C. section 607(d), where paragraph (4) refers to work experience, including work associated with the refurbishing of publicly assisted housing, if sufficient private sector employment is not available, and paragraph (7) refers to community service programs] to which the taxpayer is assigned under any state program under part A of title IV of the Social Security Act shall be taken into account, but only to the extent the amount is subsidized under the state program; and

(F) A taxpayer may elect to treat amounts excluded from gross income by reason of section 112 of the Internal Revenue Code [Certain combat zone compensation of members of the Armed Forces] as Hawaii earned income.

Part III of the bill amends section 387-2, HRS, to increase the minimum wage in increments to \$13.00 per hour beginning Jan. 1, 2024.

EFFECTIVE DATE: This Act shall take effect upon its approval; provided that parts I and II shall apply to taxable years beginning after December 31, 2019.

STAFF COMMENTS: This bill is one of the bills in the joint legislative package agreed to by the House, Senate, and Administration before the start of the session.

**Earned Income Tax Credit:** In Act 107, SLH 2017, the earned income tax credit (EITC), was adopted. Its supporters maintained it's the best solution to lift families out of poverty since sliced bread. At the Department of Taxation's urging, however, the EITC was made nonrefundable. This bill would make the credit refundable.

Well, what's the difference? Let's start with a nonrefundable credit, which is current law. Suppose you either have lots of credits or not very much income, so you have more credits than tax liability. If you have made tax payments throughout the year, through wage withholding perhaps, you still can get all your payments back. But once the tax liability hits zero, there's no more. The state does not cut you a check, but you get a credit carryover which can be used against next year's tax liability.

In contrast, a refundable credit is just as good as cash. Not only can this type of credit reduce the amount of tax owed, but if the tax liability is less than the credit the State will cut the taxpayer a check for the difference.

Why is the Department concerned about issuing refundable credits? There are several reasons.

First, issuing a refund is administratively expensive. In most businesses, the internal process necessary to send money to someone goes through several checks and balances to make sure that



no mistakes are made. In our state government, we need to do those processes twice. At the Department of Taxation, staff can ask for a refund to be issued but no one can issue a check. Instead, a document called a “refund voucher” is sent to a different department altogether, the Department of Accounting and General Services (DAGS). Once DAGS gets the refund voucher, it goes through its own processes, checking to see if the recipient doesn’t owe another agency for example, and then issues the check.

Second, a refund can become a target for bad actors. We earlier pointed to reports from the U.S. Treasury Inspector General for Tax Administration estimating that more than 20% of all federal EITC payouts were improper. Other studies estimated that about half of these so-called improper payments were paid out because someone made a mistake. Perhaps the taxpayer was confused by the tax form, which is admittedly complex. The other half were paid out because of bad actors. Maybe a taxpayer claimed credits for kids they don’t have. Maybe an unethical tax preparation service filled in data claiming credits for people who exist but aren’t part of the taxpayer’s family. Once the cash goes out, however, it’s tough to get back. In Hawaii, our credit is 20% of the federal credit so a smaller check would go out, and because the number is smaller the Department of Taxation might not be motivated to chase down the improper payments given the number and severity of other items on their plate.

Indeed, the Department recently estimated that changing the Hawaii EITC to a refundable one would cost the State \$32 million more than a nonrefundable credit. It’s not clear how they came up with that number. But that amount of money definitely could cool a few sweltering classrooms, or perhaps fix a few plumbing facilities at the airport. In this situation, what are our priorities? Where is the need greatest?

**Food/Excise Tax Credit:** While it appears that this measure proposes tax relief to lower income taxpayers, consideration should be given to adjusting the income tax rates or the threshold amounts so those taxpayers that these credits are aimed to help will not need to claim these credits to get tax relief (or forfeit the credits if they fail to do so). Many of the comments relating to Part I also apply here.

In addition, we in Hawaii have several disparate programs and tax credits aimed at poverty relief. In addition to the credits already described, income tax credits are allowed to low-income household renters (HRS section 235-55.7) and for those with dependent care expenses necessary for gainful employment (HRS section 235-55.6). Many of the credits have non-duplication provisions and all have strict time limits on when they may be claimed upon pain of credit forfeiture. Apparently, lawmakers of the past had many different ideas on how to address the problem of poverty in Paradise but couldn’t figure out which program to go with, so they adopted them all. The principal disadvantage of this scattershot approach is that people can and do get confused over which credits they can and can’t claim, and as a result could expose themselves to credit disallowance, penalties, and other consequences that would not lift them out of poverty but instead would push them deeper toward financial ruin.

Now, we simply can’t afford tax credits and business as usual. Yes, we need to help those who need it, but the shotgun style used in the past has not produced results. Perhaps a better approach

Re: HB 2541, HD-1  
Page 4

would be lopping off the income tax brackets applicable to lower-income taxpayers and designing ONE credit to encourage social behavior necessary to lift the taxpayer out of poverty.

**Minimum Wage:** The Foundation is not commenting on Part III of the bill.

Digested 3/9/2020



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COMMITTEE ON LABOR, CULTURE AND THE ARTS  
THURSDAY, 3/12/20, 3:15 PM, Room No. 224

HB2541 HD1, RELATING TO HELPING WORKING FAMILIES

**TESTIMONY**

Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Taniguchi, Vice-Chair Ihara, and Committee Members:

**The League of Women Voters of Hawaii supports/opposes/offers comments only on this bill, which (insert one-one-half line summary of the bill).**

**The League of Women Voters of Hawaii supports the first two sections of this bill, which 1) makes the state EITC permanent and refundable; 2) bases the food/excise tax credit on taxpayer's earned income and increases this credit; we support the intent of section 3) which makes a very modest increase in the state minimum wage, but propose amendment to increase the anticipated amount in 2024 or earlier.**

**RE: EITC**

Due to Hawaii's regressive General Excise Tax, and the fact that even the poorest earner must pay income tax in Hawaii, the lowest income working families here pay more in total taxes than in all but one other state. The 2017 legislature, to its credit, created Hawai'i's EITC, which can provide much-needed relief to working families with very low incomes.

However, this benefit will expire January 1, 2023. There is no reason for this sunset date: as this date approaches, Hawaii's EITC could stop one of the benefits demonstrated for EITC, i.e. motivating women to join the work force, which benefits the state as well as themselves and their families.

HB2541 HD1 provides an opportunity to provide relief to the very poorest working households, those who owe in taxes less than the amount which the EITC would waive for them. HB2541 HD1 would give to these struggling families the difference between their state income tax bill and their state EITC. The amounts of money are small, but at the income levels we are talking



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about the “refunded” EITC would relieve some of the intense economic pressure these families are under.

The fact that these families are supported by a working family member makes an even stronger case for supporting them. One can imagine the immediate uses for this - clothing, appliance repair, school supplies, a bus pass..... it would make a real difference.

As a side benefit, this spending would help businesses as consumer spending would increase.

Please pass HB2541 HD1 and give the full EITC benefit to our poorest working families and one they can count on continuing to receive.

#### **RE: Food/Excise Tax Credit**

HB2541 HD1 removes a painfully limiting schedule tying the food/excise tax credit amount to finely graduated differences in income. At the income levels considered, the differences are manini. The change simplifies and improves the existing Section 235-55.85, HRS, thus somewhat increasing the credit for most low income taxpayers.

#### **RE: Minimum Wage**

HB2541 HD1 acknowledges the inadequacy of the current minimum wage, and makes a very modest improvement in it, ending in \$13/hour in 2024. This increase is totally inadequate when we know that in order to afford a bare minimum standard of shelter, food, health care, and transportation (think no car, one bus pass per adult), someone who works full time needs to earn \$17/hr.

We urge this committee to amend this section of HB2541 HD1 to truly address the dire poverty of the many hard workers in our state who earn only the minimum wage. The minimum wage needs to rise rapidly to \$17/hour because as each year of gradual increases goes by, inflation will eat away at the pay rate until by 2024 or 2025, \$17 will almost certainly not provide even a barely livable wage.



49 South Hotel Street, Room 314 | Honolulu, HI 96813  
[www.lwv-hawaii.com](http://www.lwv-hawaii.com) | 808.531.7448 | [voters@lwv-hawaii.com](mailto:voters@lwv-hawaii.com)

We appreciate the other labor benefits which many of Hawaii's workers enjoy; but we do not think employers, with current low unemployment, will find it to their advantage to cut workers' hours - a concern expressed by a house committee. Rather, we expect that the lack of stress and distress which very low wages place on households will decrease the use of "sick days" and lead to more stable employment and increased productivity, to the advantage of employers.

Please pass HB2541 HD1 with sections 1 and 2 as proposed, and a minimum wage of \$17 by 2023 in section 3.

Thank you for the opportunity to submit testimony.



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

#### Executive Officers

**Joe Carter**, Coca-Cola Bottling of Hawaii, *Chair*  
**Charlie Gustafson**, Tamura Super Market, *Vice Chair*  
**Eddie Asato**, The Pint Size Corp., *Secretary/Treas.*  
**Lauren Zirbel**, HFIA, *Executive Director*  
**John Schlif**, Rainbow Sales and Marketing, *Advisor*  
**Stan Brown**, Acosta Sales & Marketing, *Advisor*  
**Paul Kosasa**, ABC Stores, *Advisor*  
**Derek Kurisu**, KTA Superstores, *Advisor*  
**Beau Oshiro**, C&S Wholesale Grocers, *Advisor*  
**Toby Taniguchi**, KTA Superstores, *Advisor*

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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: March 12, 2020  
TIME: 3:15pm  
PLACE: Conference Room 224

RE: HB2541 HD1 Relating to Helping Working Families

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.

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.

The Hawaii Food Industry Association offers comments on this measure. We are very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. We feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

HFIA strongly supports the intent of this measure to help working families, we believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. We support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

While business organization typically prefer to allow the market to set wage rates, we understand that the government is also under pressure to address the minimum wage. We appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity<sup>1</sup> (RPP) in the US<sup>2</sup>. Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8%<sup>3</sup> higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."<sup>4</sup>

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<sup>1</sup> The RPP measure the differences in the price levels of goods and services across states and metropolitan areas for a given year. It is calculated using price quotes for a wide array of items from the CPI, which are aggregated into broader expenditure categories (such as food, transportation, or education) (see footnote 2 for source).

<sup>2</sup> US Dept of Commerce, Bureau of Economic Analysis. *Real Personal Income for States and Metropolitan Areas, 2013*. Washington, DC, 2015. [https://www.bea.gov/newsreleases/regional/rpp/rpp\\_newsrelease.htm](https://www.bea.gov/newsreleases/regional/rpp/rpp_newsrelease.htm) (accessed Oct. 7, 2015).

<sup>3</sup> The Council for Community & Economic Research. *Cost of Living Index*. Arlington, VA, 2015. <https://www.coli.org/ReleaseHighlights.asp> (assessed Oct. 9, 2015).

<sup>4</sup> Emilie Padgett, *Study: Minimum Wage Hike Boosted Price of Chipotle Burritos*, Washington Examiner, July 7, 2015. <http://www.washingtonexaminer.com/at-chipotle-increase-in-minimum-wage-means-pricier-burritos-study/article/2567752> (accessed Oct. 6, 2015).

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 hour<sup>5</sup> (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

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<sup>5</sup> 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).



March 10, 2020

TO: Senate Committee on Labor, Culture and Art  
RE: Testimony offering comments on HB2541 HD1

Dear Senators,

I urge this committee to amend HB2541 HD1 to increase Hawai'i's statewide minimum wage from \$10.10 an hour to no less than \$17 an hour, incrementally, between 2020 and 2025. Hawai'i's hardworking families already need more than \$17 an hour to survive in 2020. The current proposal of \$13 by 2024 is, therefore, grossly inadequate to meet the dire need of so many of your constituents.

Considering the existence of the legislative package that was announced by both chambers before the start of session, it is clear that this legislature, and the governor, recognizes that the situation for Hawai'i's working families has gotten so bad that it can no longer be ignored. Unfortunately, for every day that we have thus far failed to take serious action to address the dangerous level of wealth and income inequality in this state, our problems have gotten worse, and people have suffered as a result.

Last year, people from all walks of life across the State of Hawai'i presented this legislature with hundreds—if not thousands—of pieces of testimony over the course of the 2019 session urging lawmakers to raise the minimum wage. The level of commitment from the public to participate in an increasingly opaque civic process was unusually high and speaks to the grim nature of the socioeconomic situation here. The calls for a living wage continued this year throughout the duration that House committee chairs Luke and Johanson had the bill under their jurisdiction.

And yet, despite desperate these calls for action; despite ample data and clear and convincing evidence to show that a minimum wage that allows workers to be self-sufficient—a living wage—boosts both the standard of living of struggling workers and the overall output of our consumer-based economy; and despite the clear evidence (recently corroborated by the State Department of Business, Economic Development and Tourism, or DBEDT) that phasing in these increases incrementally, over time, does not cause either layoffs or business closures at noticeably higher rates than normal, the House failed to hand a living wage bill over to you. And so it is now in your hands.

By the year 2024, \$13 an hour will lose more than a dollar's-worth of purchasing power to inflation. Costs—especially housing—will continue to rise, at least until we are able to build enough housing at less than 60 percent area median income to meet demand. \$13 an hour \$27,000—isn't enough to live on now. It certainly won't be enough to live on in 2024.

Meanwhile, more and more working age adults are leaving Hawai'i, either to seek better prospects in a place that values workers, or simply because they can no longer afford to live here. Hawai'i is missing out on what they have to offer.

With 300,000 people over the age of 65 in the State of the Hawai'i as of this year, we are hurtling toward an untenable situation in which there will not be enough working age adults in Hawai'i to power our economy, take care of our kupuna, and start families of their own here. We need to keep young, local, working-age people here, rooted to their home, able to build lives for themselves. This is not simply a matter of good economic policy; it is also a matter of societal health, and—for Kanaka Maoli especially—it is a matter of justice too.

Half measures, therefore, will simply not be enough. We need genuine economic justice, and we need it now.

We need minimum wage workers just as much as we need other kinds of workers. More than 90 percent of minimum wage workers are older than age 20, and many of them are parents. More than 40 percent of them have been to college. There are 88,000 minimum wage earners in the State of Hawai'i. If you add in the other low-wage workers who make less than \$17.63 an hour—the bare minimum survival wage in 2020 according to DBEDT—we are now talking about some 250,000 workers in Hawai'i.

That's more than a third of our entire workforce. We need those workers to be healthy and, yes, happy. All of them, no matter how skilled or unskilled, are important to our economy and to our society. Especially because there are so many of them that are living paycheck to paycheck. When they slip into poverty, our economy and our society are weakened.

President Franklin D. Roosevelt understood this. When he created the first federal minimum wage law as part of the historic New Deal, he intended expressly for it to be a “living wage” that would ensure no full-time worker lived in poverty:

It seems to me to be equally plain that no business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By "business" I mean the whole of commerce as well as the whole of industry; by workers I mean all workers, the white collar class as well as the men in overalls; and by living wages I mean more than a bare subsistence level—I mean the wages of decent living.

*Franklin Roosevelt's Statement on the National Industrial Recovery Act, June 16, 1933*

What does it matter if a single-digit percentage of minimum wage earners are teenagers that live at home with no financial responsibilities? Having no financial responsibilities simply means that they are going to spend most of their earnings back into the economy. From a purely business-focused standpoint, that teenager is the perfect candidate to receive a raise. The more they earn, the more they spend; the more they spend, the stronger the economy.

There is no good reason to oppose gradual, phased-in minimum wage increases that allow all workers to afford their basic needs. The last time Hawai'i increased its minimum wage—from \$7.25 in 2014 to \$10.10 in 2018, or about 10 percent per year—the unemployment rate

dropped by 50 percent; the number of restaurant servers in Hawai'i increased by 30 percent; and the number of small businesses increased by nearly 17 percent during that time period. Not only that, but the number of people employed by small businesses increased by 19.9 percent. (Statistics come from the U.S. Bureau of Labor Statistics and the U.S. Small Business Administration.)

Research also shows that if the minimum wage in Hawai'i was increased to \$17 by 2025, even the most dramatic price increases required for businesses to cover their increased labor costs would still be well below 5 percent. Those kinds of price increases—\$0.05 more per year for a gallon of milk, for example—are easily managed by a consumer workforce that would be earning a 40 percent higher income after five years of minimum wage increases.

Despite what the opposition claims, well-run businesses can—and have, and will continue to—do better when they pay wages that give their workers the ability to be self-sufficient. With self-sufficiency comes the opportunity to succeed. We should want all workers to succeed, because that is how we build genuine prosperity for Hawai'i.

Please put Hawai'i's working people first. They are the backbone and bedrock of our society. Work to create public policy that closes the income gap and allows local, working-age adults to stay here and start families and build wealth. Increase the minimum wage to no less than \$17 by 2025.

Will Caron  
Pālolo Valley

**HB-2541-HD-1**

Submitted on: 3/10/2020 2:25:41 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stanley Michaels	Individual	Oppose	No

Comments:

**Senate Committee on Labor, Culture and the Arts**

**Thursday, March 12 at 3:15pm**

**State Capitol Room #224**

**Chair, Honorable Senator [Brian T. Taniguchi](#)**

**Vice Chair, Honorable Senator Les Ihara, Jr.**

**Dear Senator Taniguchi and Senator Ihara, and members of your committee,**

**RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025**

**Thee is no question that research supports an increase in minimum wage as being advantageous, and not detrimental to business. The most recent Civil Beat article verifies that when minimum wage increases are phased in, that business benefits in the long run, and that no negative aspects appear. And Civil Beat stories and research are always straightforward with no hidden agenda. It is because the minimum wage earner immediately returns the increased salary back into the economy. They don't need to save it up to deposit into their savings or IRA's...they need to spend it so they can assist their families and their family's families to move forward. Although my higher education allowed me to move out of minimum wage...while in it I suffered and so did my family.**

**Please - the research is very clear...business can handle gradual increases, however there is a fine line between starting at the bottom and starting at a livable, eatable wage. Please, I realize you cannot continue to do the good work you have been doing without support...you will get it when it counts. Although, there are so many pressures from so many directions, it is very difficult sometimes to do the right thing, so let this decision come from your moral compass. I truly believe that \$13 is just not enough, and I hope you do also.**

Finally, I am intimately aware of how difficult your decisions are. You have been making them for years. I am very proud of all that you have done. Even though you may face opposition or challenges, I am asking for you to make this one within your heart and I hope it is *pono*. Whatever your decision...I still support you. Mahalo for all you do.

Sincerely,

Stan

Stanley Michaels

225 Kaiulani Ave. Apt 602

Honolulu, HI 96815



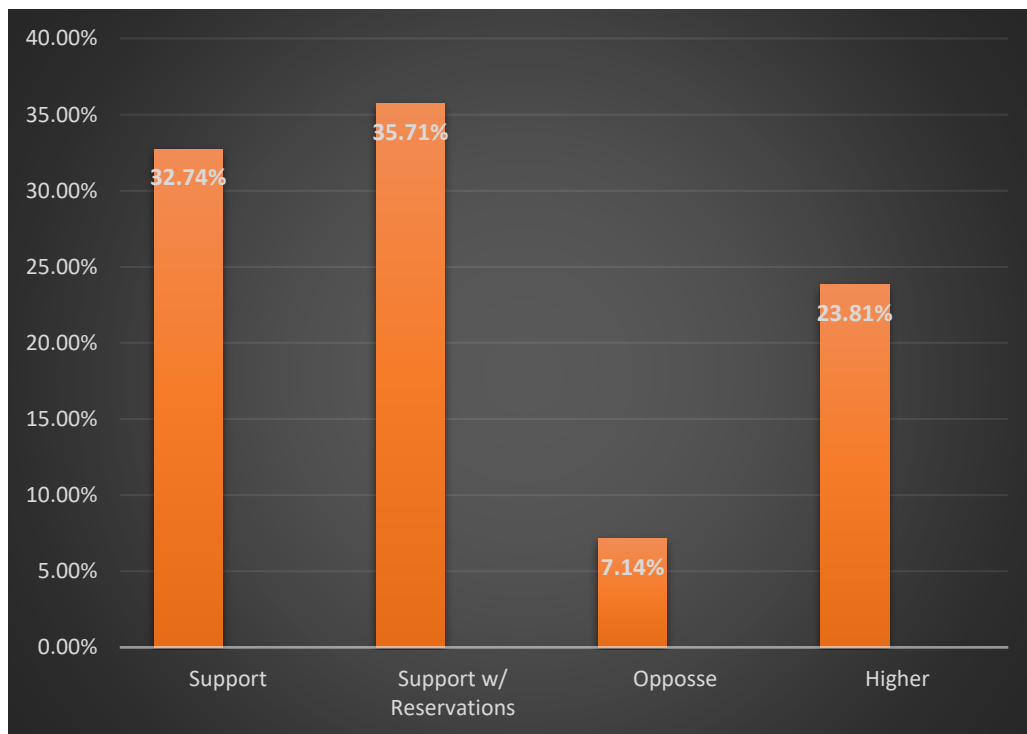
Testimony Before the Senate Committee on  
Labor, Culture and the Arts  
State Capitol Room 224  
Thursday, March 12, 2020 3:15 PM

**RE: SUPPORT FOR HB 2541, HD 1, PART III**

Dear Chair Taniguchi, Vice Chair Ihara, Jr., and Distinguished Members of the Committee:

The Kaua'i Chamber of Commerce supports an increase in the minimum wage to \$13.00 per an hour by January 1, 2024.

The vast majority of our membership is comprised of small businesses with fewer than 10 employees. These businesses are arguably the ones who will be most adversely impacted by any increase in the minimum wage. However, according to a recent online poll of our membership the overwhelming majority support an increase to \$13.00 per hour in the timeframe outlined in HB 2541 HD 1 Part III. However, over half of those supporting the increase, expressed reservations on the impact on small businesses and on potential inflation as costs are passed onto consumers.



- Poll Conducted 2/19/2020 – 2/24/2020

## **NOT THE TIME TO GO HIGHER OR FASTER**

Some are arguing for a steeper increase in the minimum wage over a shorter amount of time. However, that would force many small businesses to make choices that would be determinantal to the very people an increase in the minimum wage is designed to help.

For example, a small manufacturer may choose to lay-off workers, cut hours or both in order to keep costs under control. The potential for job loss grows the higher and faster the increase.

They may also choose to pass costs onto consumers. This is not without its peril, as many of our manufacturers report that consumers are only willing to pay so much for their products. If a business is priced out of the market it may shutter its doors entirely.

In search of a higher return on investment, they may also choose to discontinue relationships with discount retailers, electing instead to sell their goods where profit margins are higher. This boxes out the average consumer entirely.

## **COVID-19 AND HAWAII'S ECONOMY**

According to UHERO (<https://uhero.hawaii.edu/interim-forecast-update-covid-19-will-impose-significant-economic-impacts-in-hawaii/>) real visitor spending is projected to drop by 10 percent this year. International passenger counts are down by 32 percent compared to last year. Japanese passenger rates have fallen -31 percent as of the 1<sup>st</sup> week in March.

As stock markets crash across the globe, we encourage lawmakers to shore-up the economy by supporting small businesses as we head into uncertain times. Substantially increasing overhead at this point seems reckless given the current situation. There may be tough days ahead for all of us, and our small businesses will be the canary in the coal mine. Let's not add to their burden by going too far too fast on the minimum wage increase.

The Kaua'i Chamber thanks you for the opportunity to provide testimony and is grateful for your consideration.

TESTIMONY BEFORE THE SENATE COMMITTEE ON  
LABOR, CULTURE & THE ARTS

RE: HB 2541, HD1, - RELATING TO WORKING FAMILIES

THURSDAY, MARCH 12, 2020

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 the intent HB 2541**, relating to working families, and **respectfully requests an amendment to increase the minimum wage to \$17 an hour by the year 2025 and the inclusion of paid sick leave.**

A full-time single worker earning \$13 an hour would earn roughly \$27,000 a year, an income considered as “very low-income” by the Department of Housing and Urban Development. \$13 by 2024 just is not enough to support our working families in Hawaii. Most locations in Hawaii a worker would have to earn more than double their \$27,000 to simply be categorized as “low-income”. A single worker in Hawaii needs to earn over \$17 an hour today to simply survive at the most basic level and by 2024 the hourly wage needed to survive will almost certainly be higher. The truth is these figures are disturbing and we must do better. Workers and the families they support are struggling across Hawaii. Many workers are one paycheck away from houselessness and often times having to decide between groceries or medicine for the month.

Further, increasing the minimum wage is good for the local economy. When our lowest paid workers earn more take-home pay, they inject this money back into the economy by spending more on everyday necessities; they will buy a loaf of bread or a gallon of milk at their neighborhood grocery store or a long-overdue new pair of shoes for their child. Contrast this with high-income earners who invest extra earnings in the stock market or in other investments outside of the state and it’s evident that a higher minimum wage will be an invaluable economic stimulus tool.

With the Coronavirus in the news, it is important to note that **a significant majority of workers in the service sector industry** and those that greet our visitors and families that are returning to Hawaii, especially those who handle and prepare our food or engage with consumers, disproportionately **do not have access to paid sick days**. A small number of paid sick days will boost employee morale, help with employee retention, and most importantly ensure workers can properly seek medical care and recover before attending work. **Paid sick days will help mitigate the public health concerns that stem from the spread of viruses, including Covid-19, that our globally connected society is facing today and will undoubtedly face in the future.**

Again, we ask that you **support an amendment to H.B. 2541, H.D.1 to \$17 an hour and enact paid sick days** to help uplift thousands of workers struggling to make ends meet in Hawaii.





## HB 2541, HD1, RELATING TO HELPING WORKING FAMILIES

MARCH 12, 2020 · SENATE LABOR, CULTURE, AND  
THE ARTS COMMITTEE · CHAIR SEN. BRIAN T.  
TANIGUCHI

**POSITION:** Comments.

**RATIONALE:** IMUAlliance provides the following comments for HB 2541, HD1, relating to helping working families, which makes the state earned income tax credit refundable and permanent; increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawai'i earned income and federal adjusted gross income; and increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$35,143 to achieve self-sufficiency in Hawai'i in 2018, while a single parent with one child required \$59,428. Adjusted for inflation, DBEDT's reporting shows that in 2020, a single minimum wage worker must earn at least \$17.63 to survive on our shores, a number that rises to \$18.22 for Honolulu. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time minimum-wage employee earns only \$21,008 annually, \$15,000 less than what's needed to meet her basic needs. **If our economy continues to inflate at roughly 3 percent per year, then the minimum wage needed to survive in Hawai'i in 2024 will be \$19.85/hour or \$41,288/year.**

Moreover, Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2019* report found that a full-time worker would need to earn \$36.82/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, **with minimum wage workers needing to log 111 hours per week to afford a modest one-bedroom apartment at fair market value and 146 hours per week to afford a two-bedroom**—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$16.68/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, 63 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income.

Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's population dropped by more than 4,700 people, to 1,415,872, from July 2018 to July 2019, when births, deaths, and migration were accounted for. That's the biggest numerical population drop since 2015 and it made Hawai'i one of just ten states in the country to lose population in 2019, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services (they can't afford to invest in the stock market or buy imported luxury goods), 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.

We appreciate this measure's effort to uplift working families. To begin, **we wholeheartedly support making our state's Earned Income Tax Credit refundable.** The Hawai'i EITC, established in 2017, provided \$15,282,150 in financial relief to 55,656 taxpayers in 2018, according to DBEDT. Taxpayers claimed an average credit amount of \$275, with roughly 60 percent of claimants earning \$30,000 per year or less. Making the EITC refundable will effectively double its impact, while repealing the credit's current sunset date will ensure that it endures for future generations. Notably, the federal EITC and 23 out of 28 other state EITCs are refundable. Making the EITC refundable will also advance tax fairness for our state's workforce, helping to close the glaring gap in the tax burden paid by Hawai'i's highest and lowest earners. Currently, our most economically disadvantaged populations pay almost 1000 percent more in excise taxes than richer residents as a percentage of their total income, with low-income families paying more in excise taxes on an annual basis than they do in income taxes. Creating a refundable EITC provides a direct tax benefit to these families, who are otherwise left lagging far behind their more affluent neighbors in terms of tax equity.

We also **support increasing the refundable food/excise tax credit.** Hawai'i's high cost of food is a primary driver of our high cost of living. Currently, the food/excise tax credit maxes out at \$110 per household member for the lowest-income families, gradually phasing out as income levels escalate. It also provides higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers. This measure would raise the maximum credit level to \$150 per qualified exemption, applied to individuals earning less than \$30,000 and joint filers earning less than \$50,000 per year. As financial experts attest, however, phasing out tax credits—something this measure eliminates—is considered sound policy in order to avoid tax “cliffs,” in which credits are lost when an individual or family earns one dollar more than the income eligibility limit prescribes. We humbly request that you maintain the \$50,000 annual income eligibility limit for married and head of household tax filers, currently contained in the latest draft of the measure. Hawai'i Department of Taxation officials recently reported that 41,100 households

with annual incomes between \$30,000 and \$59,999 claimed the food/excise credit in 2017. If the income threshold is lowered, tens of thousands of low- to moderate-income families will lose the tax relief that they are currently afforded by the food/excise tax credit.

Furthermore, we suggest **amending this measure to phase in a minimum wage increase to \$17 over five years in \$1.00 increments or, alternatively, gradually increase the minimum wage to \$13.00 in \$1.50 increments by 2022, rather than 2024.** Hawai'i's current minimum wage, adjusted for inflation, amounts to merely \$8.52, which is far below what's needed to survive, much less thrive, on our shores. In fact, the eight states (including Washington D.C.) with the highest cost of living other than Hawai'i—New York, California, New Jersey, Maryland, Connecticut, Massachusetts, Washington, and the District of Columbia—have all passed laws to raise their minimum wages to at least \$15 over the next five years. We should follow suit by providing economic justice to the hardworking families that form the heartbeat of our economy, whose financial situation becomes more precarious with each passing year.

Finally, as the islands face the looming threat of an economic downturn sparked by COVID-19, we suggest that the committee **consider amending this measure to provide paid sick leave for all employees throughout Hawai'i.** It is unconscionable that during a pending pandemic, workers may be forced to choose between safeguarding their personal or the public's health. If we want employees to stay home when they are ill to prevent the spread of COVID-19, then we must guarantee them the financial security necessary to do so. **Notably, over two-thirds of Hawai'i's economy is predicated upon consumer spending.** If the COVID-19 crisis turns into a fiscal emergency, one of the best ways to ensure that our economy remains vibrant is to put more money in the hands of our state's workers (the same logic that applies to a payroll tax holiday). Creating a living wage for the our state is not just a financial boost for working families then, but a prescription for maintaining the prosperity of the islands' entire economy.



## **HOUSE BILL 2541, HD1, RELATING TO HELPING WORKING FAMILIES**

MARCH 12, 2020 · SENATE LABOR, CULTURE, AND  
THE ARTS COMMITTEE · CHAIR SEN. BRIAN T.  
TANIGUCHI

**POSITION:** Comments.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus provides the following comments for HB 2541, HD1, relating to helping working families, which makes the state earned income tax credit refundable and permanent; increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawai'i earned income and federal adjusted gross income; and increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$35,143 to achieve self-sufficiency in Hawai'i in 2018, while a single parent with one child required \$59,428. Adjusted for inflation, DBEDT's reporting shows that in 2020, a single minimum wage worker must earn at least \$17.63 to survive on our shores, a number that rises to \$18.22 for Honolulu. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time minimum-wage employee earns only \$21,008 annually, \$15,000 less than what's needed to meet her basic needs. **If our economy continues**

**to inflate at roughly 3 percent per year, then the minimum wage needed to survive in Hawai'i in 2024 will be \$19.85/hour or \$41,288/year.**

Moreover, Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2019* report found that a full-time worker would need to earn \$36.82/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, **with minimum wage workers needing to log 111 hours per week to afford a modest one-bedroom apartment at fair market value and 146 hours per week to afford a two-bedroom**—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$16.68/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, 63 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income. Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's population dropped by more than 4,700 people, to 1,415,872, from July 2018 to July 2019, when births, deaths, and migration were accounted for. That's the biggest numerical population drop since 2015 and it made Hawai'i one of just ten states in the country to lose population in 2019, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services (they can't afford to invest in the stock market or buy imported luxury goods), 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.

We appreciate this measure's effort to uplift working families. To begin, **we wholeheartedly support making our state's Earned Income Tax Credit refundable.** The Hawai'i EITC, established in 2017, provided \$15,282,150 in financial relief to 55,656 taxpayers in 2018, according to DBEDT. Taxpayers claimed an average credit amount of \$275, with roughly 60 percent of claimants earning \$30,000 per year or less. Making the EITC refundable will effectively double its impact, while repealing the credit's current sunset date will ensure that it endures for future generations. Notably, the federal EITC and 23 out of 28 other state EITCs are refundable. Making the EITC refundable will also advance tax fairness for our state's workforce, helping to close the glaring gap in the tax burden paid by Hawai'i's highest and lowest earners. Currently, our most economically disadvantaged populations pay almost 1000 percent more in excise taxes than richer residents as a percentage of their total income, with low-income families paying more in excise taxes on an annual basis than they do in income taxes. Creating a refundable EITC provides a direct tax benefit to these families, who are otherwise left lagging far behind their more affluent neighbors in terms of tax equity.

We also **support increasing the refundable food/excise tax credit.** Hawai'i's high cost of food is a primary driver of our high cost of living. Currently, the food/excise tax credit maxes out at \$110 per household member for the lowest-income families, gradually phasing out as income levels escalate. It also provides higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers. This measure would raise the maximum credit level to \$150 per qualified exemption, applied to individuals earning less than \$30,000 and joint filers earning less than \$50,000 per year. As financial experts attest, however, phasing out

tax credits—something this measure eliminates—is considered sound policy in order to avoid tax “cliffs,” in which credits are lost when an individual or family earns one dollar more than the income eligibility limit prescribes. We humbly request that you maintain the \$50,000 annual income eligibility limit for married and head of household tax filers, currently contained in the latest draft of the measure. Hawai‘i Department of Taxation officials recently reported that 41,100 households with annual incomes between \$30,000 and \$59,999 claimed the food/excise credit in 2017. If the income threshold is lowered, tens of thousands of low- to moderate-income families will lose the tax relief that they are currently afforded by the food/excise tax credit.

Furthermore, we suggest **amending this measure to phase in a minimum wage increase to \$17 over five years in \$1.00 increments or, alternatively, gradually increase the minimum wage to \$13.00 in \$1.50 increments by 2022, rather than 2024.** Hawai‘i’s current minimum wage, adjusted for inflation, amounts to merely \$8.52, which is far below what’s needed to survive, much less thrive, on our shores. In fact, the eight states (including Washington D.C.) with the highest cost of living other than Hawai‘i—New York, California, New Jersey, Maryland, Connecticut, Massachusetts, Washington, and the District of Columbia—have all passed laws to raise their minimum wages to at least \$15 over the next five years. We should follow suit by providing economic justice to the hardworking families that form the heartbeat of our economy, whose financial situation becomes more precarious with each passing year.

Finally, as the islands face the looming threat of an economic downturn sparked by COVID-19, we suggest that the committee **consider amending this measure to provide paid sick leave for all employees throughout Hawai‘i.** It is unconscionable that during a pending pandemic, workers may be forced to choose between safeguarding their personal or the public’s health. If we want employees to stay home when they are ill to prevent the spread of COVID-19, then we must guarantee them the financial security necessary to do so. **Notably, over two-thirds of Hawai‘i’s economy is predicated upon consumer spending.** If the COVID-19 crisis turns into a fiscal emergency, one of the best ways to ensure that our economy remains vibrant is to put more money in the hands of our state’s workers (the same logic that applies to a payroll tax holiday). Creating a living wage for our state is not just a financial boost for working families then, but a prescription for maintaining the prosperity of the islands’ entire economy.



The Thirtieth Legislature  
Regular Session of 2020

STATE SENATE

**Committee on Labor, Culture and the Arts**

Senator Brian T. Taniguchi, Chair  
Senator Les Ihara, Jr., Vice Chair  
State Capitol, Conference Room 224  
Thursday, March 12, 2020; 3:15 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 2541, H.D.1  
RELATING TO HELPING WORKING FAMILIES**

The ILWU Local 142 offers comments on H.B. 2541, H.D.1 with suggested amendments. H.B. 2541, H.D.1 makes the state earned income tax credit refundable and permanent, increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income and increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Suggested amendments: \$17 by the year 2025 with modest increases of \$1.00 to \$1.50 a year and the inclusion of a paid sick day's section for all workers in the state of Hawaii, especially with the current outbreak of Covid-19 Coronavirus.

The ILWU Local 142 applauds the legislature for prioritizing an economic justice bill to help working families in the state of Hawaii. As we all know, Hawaii has the highest cost of living resulting in thousands of workers throughout the state living paycheck to paycheck. Many workers and their families are on the verge of homelessness and many are struggling to make ends meet. Raising the minimum wage and making the EITC refundable will help many of these families and we greatly appreciate that.

Unfortunately, \$13 by 2024 just isn't enough. In fact, according to the Hawaii Department of Business, Economic Development and Tourism a single worker in Hawaii needs to earn over \$17 an hour today to simply survive at the most basic level and by 2024 the hourly wage needed to survive will almost certainly be higher. The truth is, \$17 by 2025 is still not enough but it is a step in the right direction and will undoubtedly help thousands of workers experiencing significant economic hardship.

Moreover, a full-time single worker earning \$13 an hour would make roughly \$27,000 a year, an income considered as "very low-income" by the Department of Housing and Urban Development. In fact, in most locations in Hawaii a worker would have to earn more than double their \$27,000 to simply be categorized as "low-income". These 2019 low-income rates for a single worker include:

Honolulu: \$67,500  
Kahului-Wailuku-Lahaina: \$54,700  
Hawaii County: \$44,000  
Kauai County: \$50,400

And today, numerous cities and states across the country have enacted minimum wage laws that increase their minimum wage to \$15 or even higher. Many of these states and cities have a vibrant

service sector economy and remain vibrant today with a relatively low unemployment rate. Some of these states and cities and their increases are shown below:

State/City	2020	2021	2022	2023	2024	2025
California	\$12	\$13	\$14	\$15		
Connecticut	\$12	\$13	\$14	\$15		
Maryland	\$11	\$11.75	\$12.50	\$13.25	\$14	\$15
Massachusetts	\$12.75	\$13.50	\$14.25	\$15		
New Jersey	\$11	\$12	\$13	\$14	\$15	
New York (Long Island)	\$14	\$15				
Washington, D.C.	\$15	CPI Increase	CPI Increase	CPI Increase	CPI Increase	CPI Increase
Seattle – 500 or fewer employees	\$13.50	\$15	\$15.75	\$16.50	\$17.25	
Illinois	\$10	\$11	\$12	\$13	\$14	\$15

Furthermore, it has been suggested that one of the reasons the proposed increase only goes to \$13 is because of Hawaii’s Prepaid Health Care Act which requires employers to provide health care coverage to full-time workers who work 20 or more hours a week. And while that is true, it should also be noted that the Affordable Care Act, otherwise known as Obamacare, requires employers of 50 or more to provide health care coverage to full-time workers who work 30 or more hours a week. This means, businesses are paying \$15 or more in some states and cities while **also** providing mandated health care coverage to their employees. Additionally, it should also be noted that Hawaii has the lowest health care premiums in the country according to United Benefit Advisors. The five lowest and highest states include:

#### **The Five States with Lowest Monthly Premiums**

- Hawaii: \$411
- Idaho: \$415
- Utah: \$423
- Arkansas: \$431
- Mississippi: \$432

#### **The Five States with the Highest Monthly Premiums**

- Alaska: \$780
- Wyoming: \$662
- New York: \$624
- Vermont: \$607
- New Jersey: \$591

What we see here, are the states with the highest monthly premiums have increased their minimum wages to \$15 – this means their businesses are paying some of the highest health care premiums while also paying \$15 or higher and it has not led to any negative effects to their employment.

Furthermore, the Massachusetts health care law requires an employer contribution known as the Employer Medical Assistance Contribution (EMAC) to help fund health insurance programs in

Massachusetts. Every employer with six or more employees are required to pay a percentage on the first \$15,000 of each employee's wages paid. This means most employers in the state of Massachusetts are paying a health insurance tax and a minimum wage of \$15 by 2023 with an unemployment rate of 2.8% as of December 2019.

We should also remember that we live and work in a consumer driven economy. This means, the economy thrives when workers purchase goods and services. The more money in the pocket of workers, particularly low-wage workers means the more money that will likely be spent at local businesses which can help during a period of economic downturn. Raising the wage is an economic stimulus that will help thousands of businesses across the state.

Lastly, a bill relating to helping working families should consider the inclusion of a paid sick day's section that would guarantee a few paid sick days a year for all workers in the state of Hawaii. Currently, thousands of workers in Hawaii – particularly those employed in the service sector economy have zero paid sick days and often attend work sick since many of them live paycheck to paycheck. Many of these workers handle or prepare food and could potentially spread an illness to consumers and co-workers. With the current Coronavirus pandemic, it is even more vitally important to provide a few paid sick days to help ensure the well-being and safety of Hawaii's residents and tourists. We suggest adding the language from S.B. 638 which was introduced by Senator Karl Rhoads in 2017.

The ILWU Local 142 appreciates H.B. 2541, H.D.1, but believes the minimum wage needs to be raised to a higher amount and that all workers should have access to paid sick days. We strongly recommend the bill be passed with those amendments. Thank you for the opportunity to testify.

**HB-2541-HD-1**

Submitted on: 3/9/2020 2:03:45 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ellen Godbey Carson	Individual	Support	No

Comments:

**I am writing to support this bill with a request for an amendment to increase the minimum wage to \$17 an hour.** I volunteer extensively with IHS, with Faith Action, and other efforts to serve the needs of those living below the median area income, and through those efforts, see firsthand the problems in our community caused by wages that don't meet human survival needs. **We need a true living wage in this state.** Given our living costs, particularly housing costs in Hawaii, \$13 an hour is a start in the right direction, but is not enough to offset our state's cost of living. Many of our working people are working two or more jobs to make ends meet, and many families are doubling up with other families just to make ends meet. **So please pass a Living Wage of \$17 an hour.**

**HB-2541-HD-1**

Submitted on: 3/9/2020 3:37:04 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dyson Chee	Individual	Support	No

Comments:

My name is Dyson Chee and I am a 17 year old high schooler living in Ala Moana. I support HB2541 with amendments. Please increase the minimum wage further to meet a minimum of \$15 by 2024, or even better the \$17 that is a true living wage for the people of Hawaii. \$13 by 2024 will not be nearly enough for young people such as me who have to make the decision whether they will stay in Hawaii or not, to choose staying in Hawaii. More and more people are leaving Hawaii in search of better opportunities elsewhere, and increasing the minimal wage by an additional \$2.90 over the span of four years, which are a critical four years when each small decision can have a huge impact on a young person's life, will, from my experience, not be enough.



**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

March 12, 2020

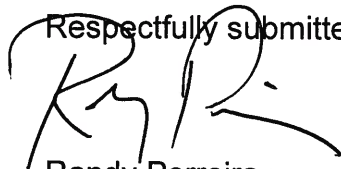
H.B. 2541, H.D. 1 – RELATING TO HELPING WORKING FAMILIES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 2541, H.D. 1 which amends three important provisions to benefit working families by making the state earned income tax credit refundable and permanent, increasing the refundable food/excise tax credit, and increasing the minimum wage.

Reports from the Census Bureau and the Department of Business, Economic Development and Tourism show that our population is shrinking due to migration outflow to the mainland and economists identify our high cost of living as a driving force. The 2018 Asset Limited, Income Constrained, Employed (ALICE) Report highlighted that 48% of Hawai'i families with children are at or below the ALICE survival budget amounts and a four-person family needs an average annual income over \$72,000, with housing representing the largest expense. It is abundantly clear that a multi-pronged, wholistic approach is essential to address these problems. We cannot afford piecemeal policy changes, but rather must view, and resolve, issues at a macro-level, with attention paid equally to high housing costs, low wages, and needed tax credits. Relief in all these areas must align to have an impact on working families.

While the individual components of this measure may not be ideal for all, when considered as a total package of wage increases and tax credits, H.B. 2541, H.D. 1 is clearly a step in the right direction and will ease the financial burden for working families in Hawai'i. The Department of Taxation anticipates that if enacted, working families will receive annual cash benefits of \$4,600 per family and we are hopeful that the net result is more families staying and thriving in Hawai'i.

Thank you for the opportunity to testify in support of H.B. 2541, H.D. 1.

Respectfully submitted,  
  
Randy Perreira  
Executive Director



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the Senate Committee on Labor, Culture and the Arts  
Thursday, March 12, 2020 at 3:15 PM  
Conference Room 224, State Capitol**

**RE: HB 2541, HD1 RELATING TO HELPING WORKING FAMILIES**

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

The Chamber of Commerce Hawaii ("The Chamber") **provides its overall support of** HB 2541, HD1, which would make the state earned income tax refundable and permanent; increase and amend the refundable food/excise tax credit; and increase the minimum wage to \$13 per hour by 2024.

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

We believe that we all must play a part in allowing Hawaii residents to find brighter futures here at home. The Chamber appreciates the Legislature's work to introduce a package of bills to address cost-of-living issues through a comprehensive and holistic approach. These bills work together to provide relief to those who need it most. For example, in addition to the provisions in HB 2541, HD1, families with children enrolled in pre-K programs would save an average of \$11,232 per year through the creation of universal, public pre-K in HB 2543, HD1.<sup>1</sup>

The Chamber is committed to contributing to collaborative approaches. Given the collective nature of this package, we support Sections 1 and 2 of HB2541, relating to the earned income tax credit and the refundable food/excise tax credit. These measures would provide direct financial relief to the most vulnerable families and individuals in Hawaii.

In addition, the Chamber does not oppose Section 3 of this bill, relating to the minimum wage. We appreciate the reasonable and incremental approach to \$13.00.

We also ask that the Committees consider measures or include language to reduce the burden of a minimum wage increase on Hawaii's small businesses, as the first increase is almost a 10% increase per hourly wage.

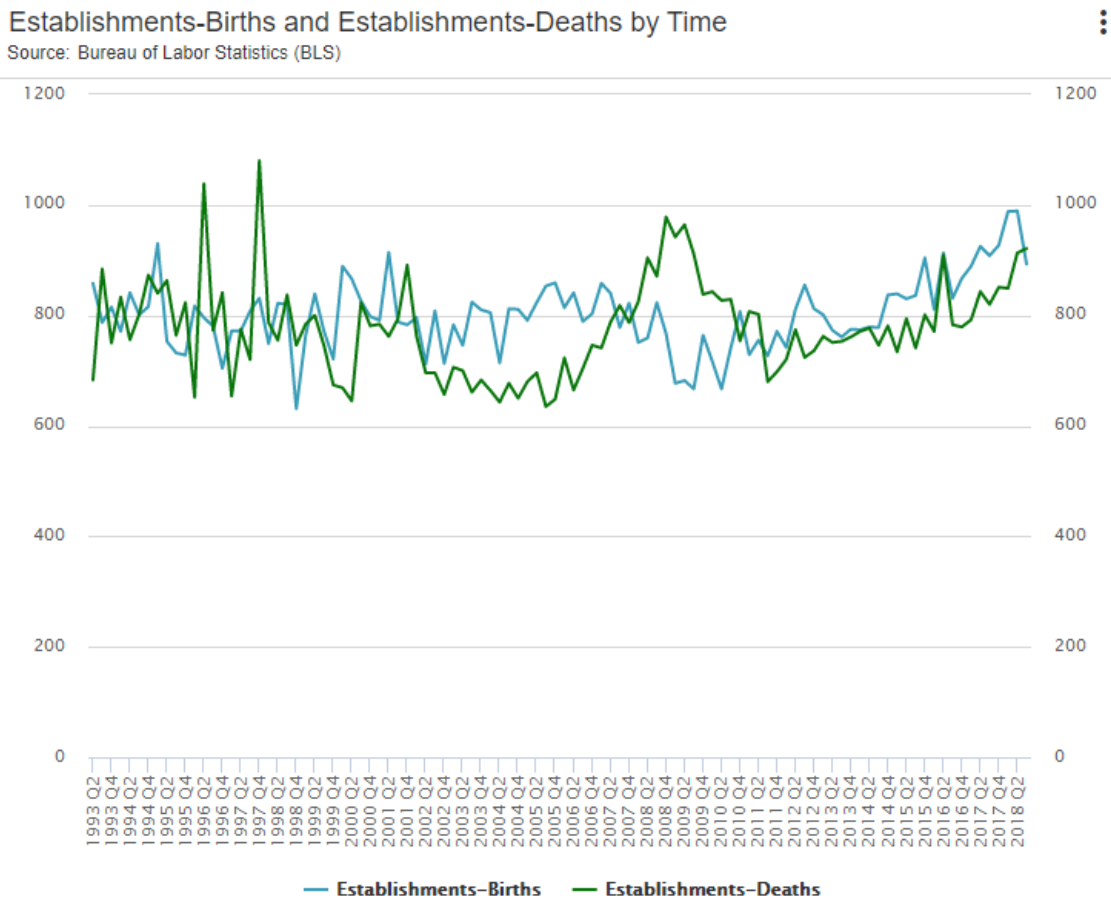
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<sup>1</sup> [https://www.hawaii-can.org/preschool\\_in\\_hawaii\\_ridiculously\\_expensive\\_and\\_hard\\_to\\_find](https://www.hawaii-can.org/preschool_in_hawaii_ridiculously_expensive_and_hard_to_find)

### Local Business Are Already Struggling

Implementing a minimum wage increase without some kind of relief for small and local business owners could lead to the downfall of these businesses. While the number of small businesses across the state of Hawaii vary from the size of the business, number of employees and the goods they sell, many of these businesses expressed to the Chamber that they operate on shoestring budgets with thin profit margins.

While Hawaii has benefitted from a strong national and global economy, the difficulty of operating a business in a high-cost market with rising employer mandates is evident in the rise of business closures across the state. According to the Bureau of Labor Statistics, business deaths increased by nearly 20% in a two-year period—from 779 in the fourth quarter of 2016 to 921 in the third quarter of 2018.<sup>2</sup>



<sup>2</sup> <https://insight.livestories.com/s/v2/economy/71d6dc13-27f9-43b5-8c6d-f61df5929b48/>

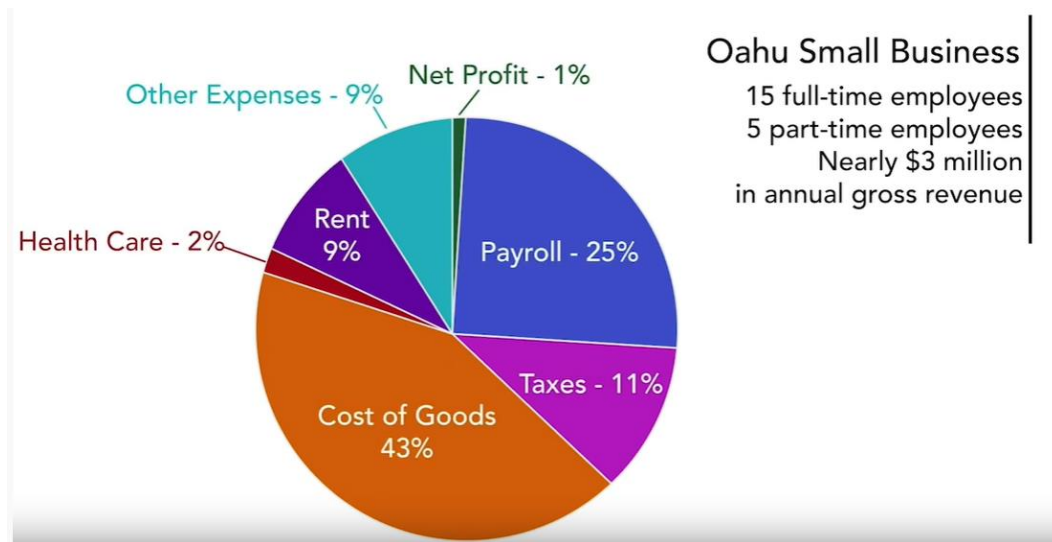
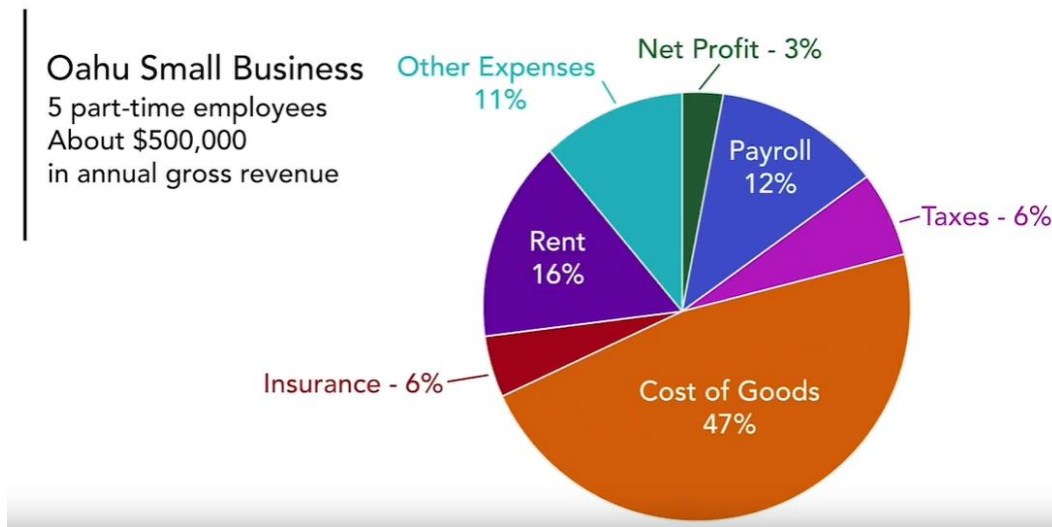




## Impact of Increases on Local Businesses

Some Chamber members have said that their businesses would be able to absorb the additional costs of an increase in minimum wage. However, for others, this loss in income could be the final straw that leads to permanent closure.

Small businesses employ over half of Hawaii's workforce.<sup>3</sup> The following profiles provided by two of Chamber members stand as examples for the vast majority of these businesses—employers who are doing their best to do right by their workers and their communities. These businesses reported net profits of one to three percent.



<sup>3</sup> <https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142645/2019-Small-Business-Profiles-HI.pdf>



# Chamber of Commerce HAWAII

*The Voice of Business*

A 2019 Congressional Budget Office report found that “a higher minimum wage reduces the family income of business owners...these losses in business income are biggest in the first years after a higher minimum wage is introduced.”<sup>4</sup>

The Congressional Budget Office also warned that outsized increases in the minimum wage would create a vicious cycle. While money will initially be injected into the economy, higher prices will lead to reduced sales. This, in turn will lead to less production and fewer jobs. This shows that a minimum wage increase alone is not a panacea to Hawaii’s high cost of living.

Wage compression is another issue regarding any increase. Decreasing or even eliminating a difference in pay between employees regardless of their skills, experience or seniority would lead to reduced morale and less incentive to pursue more advanced opportunities. As such, businesses will be forced to increase wages across all levels of pay to keep up with the increase.

## **Rising Costs on All Fronts**

Hawaii’s small business owners face rising costs on all fronts. Hawaii is consistently recognized as one of the worst states in which to start and run a business due to high costs and limited access to resources. Annual studies produced by WalletHub, CNBC and Forbes consistently rank Hawaii at or near the bottom each year. For their 2019 studies, Hawaii was ranked 47th, 49th and 46th, respectively.

Hawaii is the **only** state in the country to require employers to provide health care for all employees that work 20 hours or more per week. When the Prepaid Health Care Act was enacted in 1974, medical and drug premiums made up 2.8% of the average wage. By 2018, premiums had risen to the equivalent of 11.7% of average wage.<sup>5</sup> According to the Henry J. Kaiser Family Foundation, in 2018, Hawaii employers contributed an average of \$5,720 per employee to employer-based health insurance plans.

On January 1, 2020, new U.S. Department of Labor overtime rules went into effect that raised the annual salary threshold to earn overtime by nearly \$12,000— from \$23,660 to \$35,568. The Associated Press reported that this change will impact approximately 1.3 million workers nationwide.

Employers also pay mandates such as Workers’ Compensation insurance, temporary disability insurance, unemployment insurance, payroll taxes and other benefit programs, including several that are tied to wages. Changing state and county regulation regarding expenses such as packaging, utilities and building construction add to the uncertainty that small business owners face.

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<sup>4</sup> <https://www.cbo.gov/system/files/2019-07/CBO-55410-MinimumWage2019.pdf>

<sup>5</sup> State of Hawaii Department of Business, Economic Development & Tourism 2018 Data Book



### **Economic Downturn Adds to Uncertainty**

In January, State Economist Eugene Tian predicted that Hawaii's real GDP growth will slow in the coming years—to nearly half of the previous 20-year average. Further disruption and uncertainty caused by the Coronavirus would hurt small businesses, especially those that are dependent on visitor spending. The University of Hawaii Economic Research Organization released a report on March 10 that predicted that tourism spending will decline by 10%—the equivalent of nearly \$2 billion, based on 2019 spending figures.

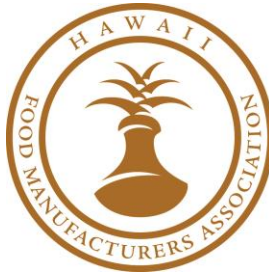
Small businesses in states and countries with larger outbreaks of Coronavirus are reporting large losses in business. Notably, the New York Times reported that only 30% of Beijing restaurants had enough capital to reopen following prolonged quarantines.<sup>6</sup>

In closing, we know that Hawaii faces significant challenges with regard to the cost of living and the cost of doing business. However, local businesses face increasing costs and ever-increasing economic uncertainty. The Chamber and Hawaii's business community are committed to contributing to holistic solutions that make Hawaii affordable for its businesses and its residents. As such, we support HB2541, HD1 as written.

Thank you for the opportunity to testify. We look forward to collaborating with the Legislature on reasonable, rational and practical ways forward.

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<sup>6</sup> <https://www.nytimes.com/2020/02/27/business/china-coronavirus-noodles-small-business.html>



Testimony to the Senate Committee on Labor, Culture, and the Arts  
Thursday, March 12, 2020 at 3:15 PM  
Conference Room 224, State Capitol

**RE: HB 2541 HD1, RELATING TO HELPING WORKING FAMILIES**

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

The Hawaii Food Manufacturers Association (HFMA) is a strong committed group of small start-ups, multi-generational family businesses, and established local operating companies. We are attempting to do something very challenging: We are trying to successfully offer Hawaii consumers and global consumers, Hawaii-made products which allow us to share the Aloha spirit through what we all love, delicious local food.

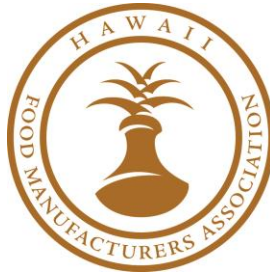
We would like each Hawaii legislator to consider the following perspectives related to the minimum wage increase under consideration:

Our principles regarding the minimum wage—

- We very much care about the well-being of each of our employees. They are part of our ohana.
- We pay them as much as we can for the work they do.
- We believe that wages should be determined by the marketplace in which our respective businesses operate, and the relevant dynamics of the respective local economy.
- Local businesses here are not profit mongering behemoths rolling in dough.
- Because of the high cost of freight, power, and land, it is very difficult to survive as a business in Hawaii.

A critical part of the minimum wage equation that must be included—

- Hawaii is one of a few states that require, for good reason, that healthcare should be provided to employees that work 20 hours or more per week by the employer.
- We believe this is a uniquely positive and substantial addition to any working wage or salary in Hawaii.
- Depending on the health insurance cost per employee per company, we must add at least \$3.00 to \$4.00 per hour to each wage earner's base wage. This is real and not clearly being considered in the current discussion.



- Our current \$10.10 minimum wage is in fact at least \$13.10. And combined with the package that is being proposed at the Legislature, the proposed base wage of \$13.00 is actually at least \$16.00 to \$17.00.
- To compare Hawaii's base minimum wage to that of other states is not fair and accurate. The "healthcare wage" must be added in too.

Our principles about the health of local businesses in Hawaii—

- We believe the best way to increase the pay rate of all working persons in Hawaii is to expand and diversify the economy.
- The State of Hawaii and local city governments have created attractive programs and devoted valuable funds to initiatives that help local manufacturers become more capable and help fuel profitable growth.
- Growth in our industry creates high paying jobs that must use greater business skill and new technologies that require education and training not limited to Silicon Valley companies. Growth means we will need innovative technologists and engineers, and sophisticated strategists as well. Growth means that we will need talented and passionate young business leaders to lead growing companies.
- This road requires collaboration and leadership. Not taking sides.
- Let us grow the economy to create high wage jobs.

We believe in the good intent of this session's legislative package. It reflects a clear strategy and astute understanding by the Legislature and Administration that a broader, long-term approach is needed to address the real underlying drivers that improve the Hawaii economy and the well-being of our local residents. We want to be a part of this effort to collaborate and keep building in the right long-term solutions.

But based on our good intention as local business operators to pay our employees fairly, combined with the "healthcare wage" we must include as part of pay, and that fundamentally, we believe wages should be set by the market for the work that is performed, we must respectfully oppose a mandated minimum wage increase.

Thank you for the opportunity to offer our thoughts as an industry.



Thursday, March 12, 2020

House Bill 2541 HD1  
Providing Comments

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

The Democratic Part of Hawai'i (The Party) provides comments on HB2541 HD1 Relating to Working Families, which makes the State EITC refundable and permanent, increases the Food/Excise Tax Credit, and increases the State Minimum Wage to \$13.00 by 2024.

While The Party supports the provisions of this bill relating to the Food/Excise Tax Credit and the EITC, we remain monumentally disappointed in the Legislature for its ongoing unwillingness to provide workers more immediate financial relief.

Working families needs immediate weekly and monthly support for their most basic needs. That this bill relies so heavily on refundable tax credits, which they won't see until the following year, to uplift families suggests that our elected leaders are desperately out of touch with the day-to-day struggles of their constituents.

\$13 an hour isn't nearly good enough now, let alone four years from now. This figure does not approach the ballpark of what our own Department of Business, Economic Development, and Tourism calls a "self-sufficiency" wage of \$17.36. Nor does it come close to the \$19.32 called for by the very ALICE report brandished by business and elected leaders. And what's more, the slow pace of the increase will all but guarantee that same elected leadership won't even entertain proposals to further increase the minimum wage until after the steps spelled out in this bill in 2024.

The Party also points out that two-thirds of our state economy is driven by consumer spending. The more workers have in their pockets, the more they spend on food, at restaurants, on entertainment, and other goods and services. If the Committee is concerned about the adverse economic impacts of COVID-19, it should look to provide opportunities to increase consumer spending, rather than recoil and retreat. Businesses thrive when workers thrive.

Wildly incorrect figures continue to be bandied around about by how much prices might rise if the minimum wage is increased. Most recently Senator English suggested and the cost of a bowl of saimin will go up \$2 when the minimum wage goes up \$2 per hour. Oddly, the implication being a bowl of saimin takes one employee one hour to make.

Wildly inaccurate and hyperbolic, The Party refers the Committee to a study ([https://research.upjohn.org/cgi/viewcontent.cgi?article=1278&context=up\\_workingpapers](https://research.upjohn.org/cgi/viewcontent.cgi?article=1278&context=up_workingpapers)) published in 2016 by the Upjohn Institute for Employment Research. This study concludes that:

*The total effect of minimum wage hikes in the nine months centered on the month the hike is imposed is 0.036, a number close to that seen in regression 5 but*

*somewhat larger than seen in regression 3. So, considering the full period over which a minimum wage affects prices, we find that a 10 percent increase in the minimum wage leads to a 0.36 percent net increase in prices. That is, if a \$10.00 item experienced this average price increase, it would become a \$10.04 item.*

In addition, we have attached some information Raise Up Hawai'i about price increases that includes results from other studies.

When debating any policy, facts and data should be paramount. Not hyperbole and rhetoric.

Hawai'i's working families are falling further behind. Hawai'i's working families needs you to do better.

As such, The Party asks that this bill be amended to increase the minimum wage to \$17 over the same period of time. And to ensure this struggle isn't necessary again and again, we ask that increases beginning in 2025 be pegged to the Consumer Price Index (CPI). We also urge the committee members to eliminate entirely the tip credit.

In response to Council on Revenues' updated economic projection for the state yesterday, as well as the value of consumer spending to our economy, raising the minimum wage faster and higher will help uplift everyone and possibly help blunt the effects of the economic contraction.

Please show your support for Hawai'i's working families by making these proposed amendments.

Given the past practice of the Legislature to not even consider future minimum wage increases until two or three years after the previous increase has occurred, without these amendments to the bill, we would ask that the committee remove the minimum wage language in the bill. We would rather take our changes again next year with a new bill, rather than wait for the better part of a decade to have this conversation again with our elected officials.

Four years is far too long for families to have to wait to again have an opportunity to fight for a living wage.

Mahalo for the opportunity to testify,



Josh Frost  
Co-Chair, Legislation Committee  
Democratic Party of Hawai'i



Zahava Zaidoff  
Co-Chair, Legislation Committee  
Democratic Party of Hawai'i

# Well Worth It

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Fast Food Meal

**32  
CENTS**

**HOW MUCH COULD FOOD  
PRICES GO UP IF HAWAI'I  
RAISES THE MINIMUM  
WAGE TO \$17 BY 2025**

LB of Bananas

**4  
CENTS**

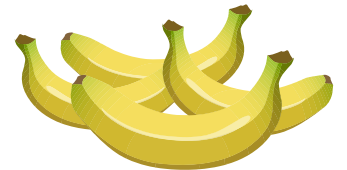


Spam Musubi

**7  
CENTS**

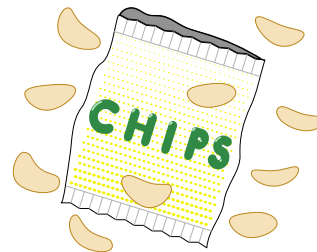
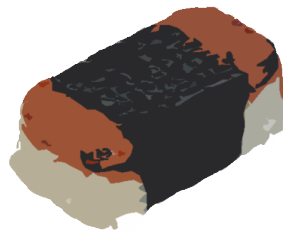
Bag of Chips

**14  
CENTS**



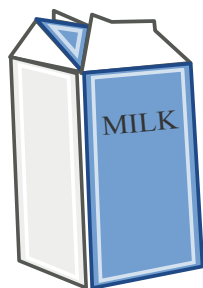
Gallon of Milk

**26  
CENTS**



Hot Dog Pack

**33  
CENTS**



**RAISE UP  
HAWAI'I**



**#RAISEUPHAWAII**

**#1010ISNOTENOUGH**

[raiseuphawaii.org](http://raiseuphawaii.org)

[@raiseuphawaii](https://twitter.com/raiseuphawaii)



The overwhelming majority of research on the effects of past minimum wage increases on prices suggests that costs to consumers rise by less than 5 percent—typically far less—over several years, even in industries that employ a lot of workers at or near the minimum wage, such as fast food.

### WHAT DOES THIS MEAN FOR HAWAI‘I’S PRICES?

**HOW MUCH** would the price of commonly purchased food items increase if Hawai‘i were to raise the minimum wage to \$17 per hour by 2025? Extrapolating the results of prior research on minimum wage, if Hawai‘i were to raise the minimum wage to \$17 per hour by 2025, the wage increase would cause fast food prices to increase by a median rate of 4.8 percent over 6 years.

To put this in context, we looked at prices in downtown Honolulu in early 2019 and projected how much a minimum wage increase to \$17 over 6 years would cause prices for some common food items to go up in Hawai‘i:

- A spam musubi’s price may increase from \$1.55 to \$1.62 (7 cents);
- A pack of hot dogs might go from costing \$6.88 to \$7.21 (33 cents);
- The price of bag of chips might go up from \$2.88 to \$3.02 (14 cents);
- The pound of bananas may go from costing 75 to 79 cents (4 cents);
- The price of a gallon of milk may go up from \$5.49 to \$5.75 (26 cents); and
- The price of a fast food combo meal may rise from \$6.59 to \$6.91 (32 cents).

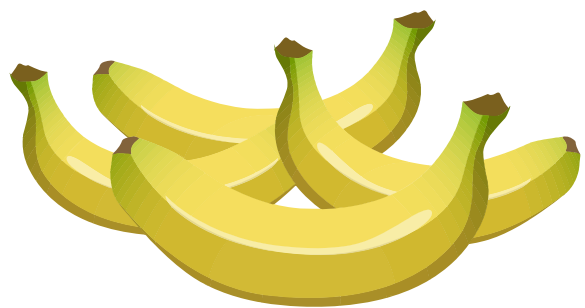
### WHAT DOES EXISTING RESEARCH SAY?

**THE CONSENSUS AMONG RESEARCHERS** is that the anticipated price increases from a minimum wage increase are not particularly large. Recent studies suggest that some minimum wage increases do not lead to higher prices at all, though larger minimum wage increases—like the 68 percent increase (\$10.10 to \$17) over 6 years

If a Hawai‘i worker ate that combo meal every single day for lunch, the minimum wage increase would cause him to spend about \$6.33 extra per month on his lunches. If he were a minimum wage worker himself, he would make that extra money in less than an hour of work at his higher wage.

Of course, these price estimates are just that—estimates. However, they underscore the point that even with “full pass-through” of higher labor costs to consumers, “from a consumer’s standpoint, the price increases are small.”

A 2008 overview of the literature on this topic concluded, and recent studies have confirmed, the overarching theme: “the minimum wage increases the wages of the poor, does not destroy too many jobs, and does not raise prices by too much.”



contemplated in Hawai‘i—would “have clear positive effects on output prices.”

This is not surprising. For one, most minimum wage, or near minimum wage, workers are cashiers at grocery and department stores, retail salespeople, cooks, janitors, cleaners, and waiters or waitresses. Industries that employ many low-

wage workers will see their labor costs go up as the minimum wage rises, and they may pass some of these costs along to customers.

The key question is: how much of those costs will they pass along? Some of the studies on this topic focus on average prices across all industries, while others focus on the price of food—particularly restaurant meals—because this industry has higher labor costs and a higher percentage of workers that make minimum wage. As such, prices for fast food are projected to increase by more than are the prices for other goods, such as clothing or food purchased at a grocery store.

The effect of a minimum wage increases on prices has been studied by some leading minimum wage experts. Most studies use observational data

to estimate the price effects of actual minimum wage increases (as opposed to, for example, simulations), and so estimate the effects of different sized minimum wage increases.

While some studies estimate the price effect for all goods and services, others focus on food and beverage prices, or more specifically on fast food. As such, the estimated percent increases in prices following a minimum wage increase can appear quite varied. However, when all estimates are adjusted to the same percent increase in the minimum wage for comparison purposes, we can see that the estimates for the increase in prices range from 0.15 percent to 2.7 percent for all goods and services, from 0.58 percent to 1.2 percent for food and beverage, and from 0 percent to 2.1 percent for fast food (see table below).

## PROJECTED PRICE INCREASE FROM 10 PERCENT INCREASE IN MINIMUM WAGE

Study Authors (Year)	Industries	Projected Price Increase
Wilson (1998)	All	0.15%
Wolf & Nadiri (1981)	All	0.3%
O'Brien-Strain & McCurdy (2000)	All	0.3–2.6%
Lee & O'Roark (1999)	Food and beverage	0.74%
MaCurdy & McIntyre (2001)	Food and beverage	1.2% (restaurants) 0.8% (groceries)
Aaronson (2001)	Food and beverage (food away from home)	0.7%
Macdonald & Aaronson (2006)	Food and beverage	0.72–0.74%
Aaronson, French, and MacDonald (2008)	Food and beverage	0.7%
Allegretto & Reich (2016)	Food and beverage	0.58%
Card & Krueger (1994)	Fast food	2.1%
Basker & Khan (2016)	Fast food	0.9% (burgers); 0.8% (pizza); no effect for chicken
Ma & Ghiselli (2016)	Fast food	0.4%

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Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice  
 In Support with Amendments of HB 2541, HD1 – Relating to Helping Working Families  
 Senate Committee on Labor, Culture and the Arts  
 Thursday, March 11, 2020, at 3:15 PM in conference room 224

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

Thank you for the opportunity to provide testimony in **SUPPORT, with amendments, of HB 2541, HD1**, which addresses the high cost of living in this state by making changes to our state’s minimum wage, earned income tax credit (EITC) and food/excise tax credit.

We wholeheartedly endorse the section of this bill that makes our state’s EITC refundable and permanent. However, to achieve the impacts that Hawai‘i’s working families need, **we respectfully suggest amendments for a more robust minimum wage—one aimed at reaching \$17 by 2025 through increases of \$1.00 or \$1.50 each year**—still under a true living wage, but getting closer to that target and more in line with what’s happening in other high cost of living states.

Financial insecurity directly affects how much families can buy at local businesses. Consumer spending contributes nearly 70 percent to economic growth. Especially with the prospect of a sharp drop in spending by consumers from out-of-state, raising the minimum wage is a method to maintain consumer demand and support economic growth.

Research shows that low-wage workers plow every extra dollar that they earn right back into local stores and restaurants. Raising the minimum wage helps keeps money in our state, by directing them at the wallets of local workers, rather than out-of-state corporate headquarters and stock holders.

The table below summarizes the likely effects of the different parts of HB 2541. Of note, it shows the importance of the minimum wage component of the bill relative to the tax credits, given the minimum wage’s potential impact to a household’s income. The table is followed by more detailed explanations of how the numbers in this table were calculated.

POTENTIAL EFFECTS OF HB 2541 ON DIFFERENT TYPES OF FAMILIES				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 child	Married with 2 children
Annual full-time income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200	\$42,016 (2 at minimum wage)
Hourly wage	\$10.10	\$13.88	\$15.00	\$10.10
<b>Annual income effect of:</b>				
Making EITC refundable	+\$193	+\$581	no change	no change
Food/Excise changes	+\$190	+\$380	+210	+460
\$13 minimum wage	+\$6,032	no change	no change	+\$12,064
\$17 minimum wage	+\$14,352	+\$6,490	+\$4,160	+\$28,704

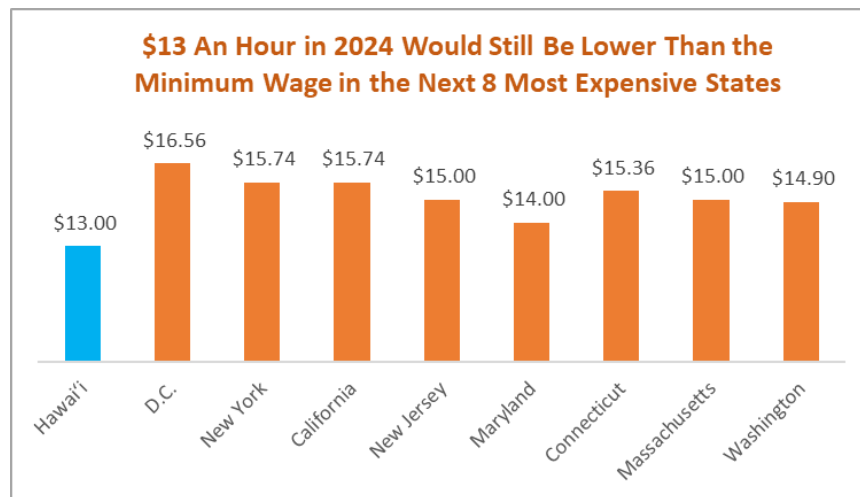
*The Hawai‘i Appleseed Center for Law and Economic Justice is committed to a more socially just Hawai‘i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy,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

### The Minimum Wage

\$13 an hour, as proposed in this bill, is about \$27,000 a year for full-time work. That’s not enough to live on in 2020, let alone four years from now. In the most expensive state in the nation, Hawai‘i’s minimum wage workers need to make enough to be able to afford the basics.

The last time Hawai‘i’s minimum wage earners got a raise – to \$10.10 an hour – was January 1, 2018. They already have been stuck at that level – **\$21,000 a year for full-time work** – for more than 2 years. With inflation eroding their pay, \$10.10 now is worth only \$9.68 in 2018 dollars, so full-time minimum wage workers in Hawai‘i are losing the equivalent of over \$500 per year to inflation.

Hawai‘i’s current minimum wage is already lower than in the other highest cost-of-living states. And Hawai‘i will be falling further behind. The **next eight most expensive states**<sup>i</sup> have passed laws to **raise their minimum wages to at least \$15** over the next 5 years<sup>ii</sup> – and the cost of living in all of those states is *lower* than in Hawai‘i.



These other high cost-of-living states also already have *refundable* state earned income tax credits (meaning that a taxpayer can get a refund if their credit is worth more than they owe in income tax) for low-wage and working-class taxpayers. And EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn’t have an income tax) than in Hawai‘i. In other words, even if Hawai‘i’s EITC becomes refundable, **minimum wage earners in the next eight most expensive states will receive more from their EITCs than in Hawai‘i.**

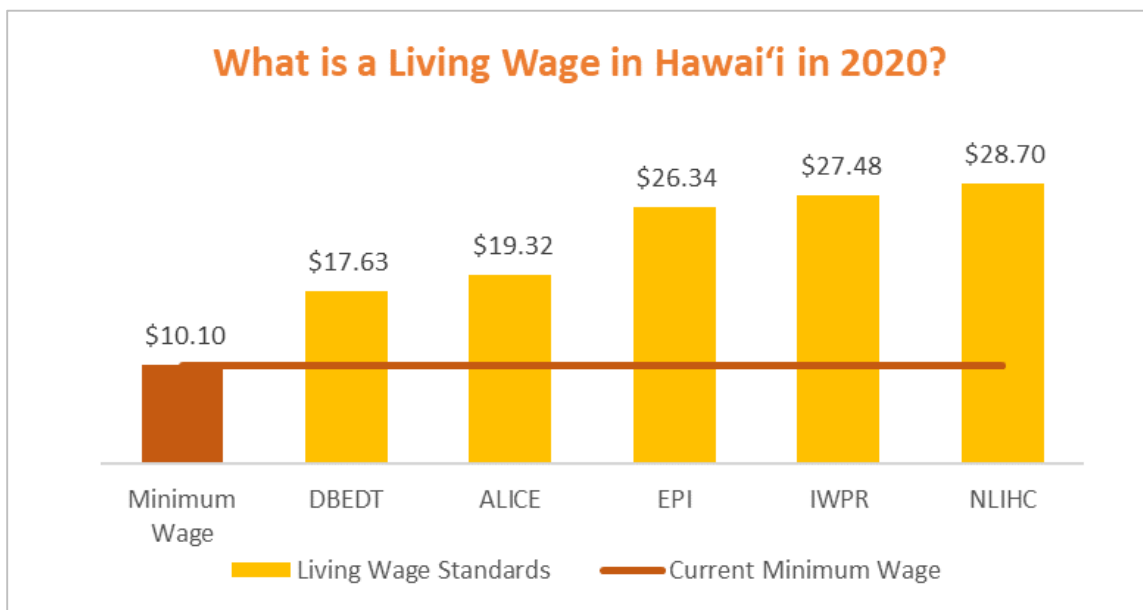
Most Expensive States	State EITC Refundability	Percent of Federal EITC
Hawai‘i	non-refundable	20
D.C.	refundable	40
New York	refundable	30
California	refundable	85
New Jersey	refundable	37
Maryland	refundable	28
Connecticut	refundable	23
Massachusetts	refundable	30
Washington	refundable	10*

\*not implemented and no income tax

With those eight other states – all with lower costs of living than in Hawai‘i – already on track to raise their minimum wage well past \$15 in the coming years, **please amend this bill to raise Hawai‘i’s wage by between \$1 and \$1.50 per year to \$17 an hour by 2025.** That would mean an average increase of 11 percent per year – which is less than some of the increases in Hawai‘i’s minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

How much do people need to make ends meet in Hawai‘i? Our state Department of Business, Economic Development & Tourism estimates that a single person with no children in Hawai‘i needs to earn **\$17.63 an hour to “meet their basic needs” in 2020.**<sup>iii</sup> Other research groups have pegged basic economic security in Hawai‘i even higher.<sup>iv</sup>

**The difference between \$17 an hour and \$13 an hour is more than \$8,000 per year** for full-time work. That’s much more than the vast majority of low-wage and working-class taxpayers in Hawai‘i will receive in tax credits.



We should feel confident that **raising the wage will not harm the job market** in our state. DBEDT recent study of past minimum wage increases in Hawai‘i finds that there were few effects on our state’s labor market.<sup>v</sup> In fact, during our most recent period when the minimum wage rose, between 2015 and 2018, our state’s unemployment rate dropped by 52 percent, to record lows, and the number of restaurant server jobs rose by 32 percent.<sup>vi</sup>

In addition, research looking at past minimum wage increases indicates that they do not cause large price increases. Averaging the best studies available, it is estimated that **raising the wage to \$17 by 2025 would increase prices by a total of less than 5 percent.** That translates to about 7 cents more for a spam musubi in 2025.<sup>vii</sup> And the last time we raised the wage in this state inflation remained exceptionally low.

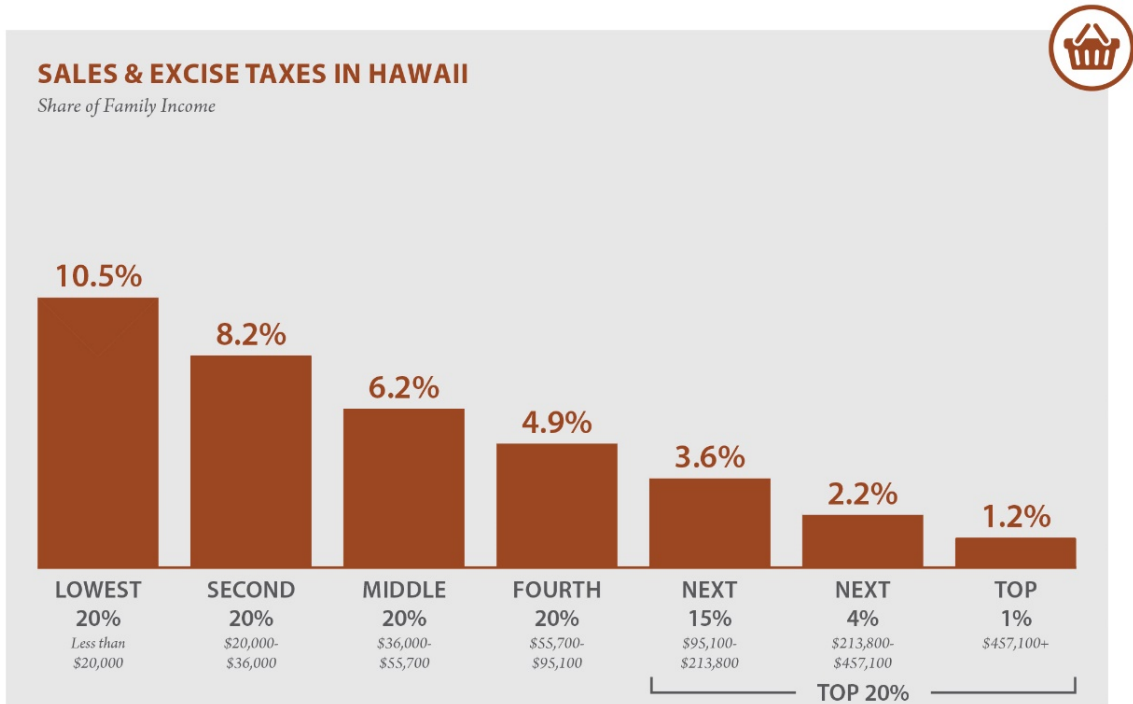
**The Earned Income Tax Credit**

Thank you for creating the Hawai‘i EITC in 2017. It is having a significant impact, helping thousands of our hard-working neighbors keep more of what they earn. As proposed by this bill, making it refundable will nearly double its impact, and eliminating the sunset will ensure that it endures. Absent refundability, tax filers can't get back more through the credit than what they owe in state income tax. The federal EITC is refundable—

which is a significant reason why it brings more children out of poverty than any other federal program or credit—as are 23 of the other 28 state EITCs.<sup>viii</sup>

Hawai‘i’s ranks second in how heavily we tax our low-income residents. Our lowest-income families pay 15 percent of their income in state and local taxes, while those at the top pay only about nine percent.<sup>ix</sup>

The main reason for the regressivity of our local tax system is the General Excise Tax (GET), which hits low-income and working-class families almost nine times harder than those at the top.



Most low-income households pay far more in the GET than they do in state income taxes. So by being non-refundable, Hawai‘i’s current EITC provides less benefit to the lowest-income families who need it the most.

The Department of Taxation’s report on the state EITC’s first year (2018) confirms this. While households earning between \$15,000 to \$45,000 per year received an average of over \$300 in the state EITC, those under \$15,000 received an average state EITC of only \$51.<sup>x</sup>

**Table 1**  
**Claims for the Earned Income Tax Credit, by Income Range**  
**Tax Year 2018**

Federal Adjusted Gross Income Range	Number of Credits Claimed	Amount of Credit (\$)	Average Amount per Claim (\$)
Less than \$15,000	13,397	\$684,391	\$51
\$15,000 to 30,000	20,260	7,707,318	380
\$30,000 to \$45,000	19,225	6,502,191	338
\$45,000 and above	2,774	388,250	140
<b>Total</b>	<b>55,656</b>	<b>\$15,282,150</b>	<b>\$275</b>

This table below shows how minimum wage and poverty-level households are able to use part of the state EITC to eliminate state tax liability. However, a refundable EITC would give the lowest income taxpayers, Households 1 and 2, refunds amounting to \$193 and \$581, respectively. Households 3 and 4 have slightly higher incomes and owe more in state taxes. Because of that, they already get the full benefit of the state EITC to reduce their tax obligation.

EFFECTS OF MAKING HAWAI'I EITC REFUNDABLE				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 child	Married with 2 children
Annual income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200 (\$15 per hour wage)	\$42,016 (2 at minimum wage)
Hawai'i taxable income	\$15,508	\$19,894	\$25,700	\$33,040
Hawai'i income tax	\$634	\$792	\$1,303	\$1,605
Refundable tax credits that reduce taxes:				
Current food/excise tax credit	-\$110	-\$220	-\$90	-\$140
Low-income renters tax credit	-\$100	-200	\$0	\$0
Taxes owed after subtracting tax credits	\$424	\$372	\$1,213	\$1,510
Non-refundable state EITC:				
Current Hawai'i EITC	\$617	\$953	\$291	\$399
EITC applied to tax liability	-\$424	-\$372	-\$291	-\$399
Final state tax liability	\$0	\$0	\$1,111	\$922
Was all state EITC used?	No	No	Yes	Yes
Annual income effect of:				
Making EITC refundable	+\$193	+\$581	no change	no change

**The Refundable Food/Excise Tax Credit**

Hawai'i has the highest cost of living in the nation. One of the main contributing factors is our high cost of food. And we are also one of only seven states that fully taxes groceries. In 2007, Hawai'i created the food/excise credit to help ease the burden of taxes on basic necessities purchased by low-income and working-class households.

The current food/excise tax credit maxes out at \$110 per household member, for the lowest-income families, and slowly phases out as incomes rise. It also provides a higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers.

The proposed changes to the food/excise tax credit in HB 2541 would raise the maximum to \$150 per qualified exemption. Rather than phase it out, any single filer that earns \$30,000 or more per year, or any head of household or married filer making \$50,000 or more per year, would no longer receive any of the credit. For a family of four, for example, if their income rose incrementally from \$49,900 to \$50,000, they would lose \$600 in tax credits. In general, **phasing out tax credits is considered good tax policy in order to avoid such tax “cliffs.”**



It also appears that the new "Hawaii earned income" definition creates some winners with very high incomes, including in the top one percent. That's because the new income definition does not count non-wage income, such as capital gain and dividends. So it's possible that someone living off of a trust fund with zero wages/salary would qualify for the food/excise credit under this new definition.

A preliminary analysis indicates that **more than 10 percent of the increase in the food/excise tax credit due the proposed changes in this bill would go to households with incomes over \$120,000 per year**, including three percent of taxpayers in the top one percent.<sup>xi</sup>

Rather than make such drastic changes to the food/excise tax credit, **we suggest keeping the current structure that phases out the amount of the credit in order to avoid tax “cliffs” as well as the definition of adjusted gross income in the current law.**

POTENTIAL EFFECTS OF FOOD/EXCISE TAX CREDIT CHANGES				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 Child	Married with 2 children
Annual full-time income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200	\$42,016 (2 at minimum wage)
Hourly wage	\$10.10	\$13.88	\$15.00	\$10.10
Annual income effect of:				
Food/Excise changes	+\$190	+\$380	+210	+460

**Thank you for considering this testimony and our suggested amendments.** We appreciate the legislature’s focus on the struggles of Hawaii’s working families this session. Boosting minimum wage, increasing the EITC, and offsetting the regressive General Excise Tax by increasing the food/excise tax are smart ways to ensure that working families can make ends meet.

In the most expensive state to live in the nation, our struggling low-wage families need both larger tax credits *and* a robust boost to the minimum wage. Without these changes, working-age people in Hawai‘i will continue to struggle. As their struggles increase, and more and more will move to places where they can afford to live, damaging Hawai‘i’s economy and future. By investing in our people, we can build a stronger Hawai‘i.

<sup>i</sup> <https://www.bea.gov/news/2019/real-personal-income-states-and-metropolitan-areas-2017>

<sup>ii</sup> <https://www.epi.org/minimum-wage-tracker/>

<sup>iii</sup> [https://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency\\_2018.pdf](https://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency_2018.pdf)

<sup>iv</sup> <https://www.raiseuphawaii.org/media/living-wage-standards-hawaii-2020>

<sup>v</sup> <https://www.civilbeat.org/2020/03/minimum-wage-hikes-have-had-little-long-lasting-effect-on-business/>

<sup>vi</sup> <https://tinyurl.com/RUHquickfacts2020>

<sup>vii</sup> <https://tinyurl.com/RUHpriceincreases>

<sup>viii</sup> <http://www.taxcreditsforworkersandfamilies.org/state-tax-credits/>

<sup>ix</sup> <https://itep.org/whopays/hawaii/>

<sup>x</sup> [http://files.hawaii.gov/tax/stats/stats/act107\\_2017/act107\\_earnedincome\\_txcredit\\_2018.pdf](http://files.hawaii.gov/tax/stats/stats/act107_2017/act107_earnedincome_txcredit_2018.pdf)

<sup>xi</sup> Unpublished analysis of HB 2541 by the Institute on Taxation and Economic Policy

**KIM COCO IWAMOTO, ESQ.**

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Committee on Labor, Culture and the Arts  
Thursday, March 12, 2020, 3:15 pm  
Hawai'i State Capitol, Room 224

**Testimony in Support of HB 2541 with SUBSTANTIAL Amendments**

Dear Chair Taniguchi, Vice-Chair Ihara and Comm. Members,

\$11/hour in 2021 and \$13/hour in 2024 are TOO LITTLE, TOO LATE.

The now five year-old ALICE report, put you on notice that the minimum survival wage back in 2015 was \$14/hour. By ignoring the huge gap between the minimum wage and the actual survival wage - you let those families who live paycheck-to-paycheck continue to slip further into debt - and now we know that nearly 7,000 more human lives became homeless in 2019.

When I was on the Board of Education, I asked the Superintendent if the DOE had full-time employees who were so underpaid that their kids were eligible for free-and-reduced lunches in our school. She looked down and replied, "yes."

I was disgusted to learn that the state bargained with unions to keep working families in poverty. I am disgusted now to learn that legislative leadership has bargained with the Chamber of Commerce to continue to keep our lowest wage earners in poverty. How does it serve the state to keep full-time workers' wages so low, that they are forced to rely on government subsidies to feed their children. Likewise, how is the state served, by allowing corporations to get away with poverty wages - so their shareholders pocket more profits.

According to the attached 2019-2020 federal "income eligibility guidelines" for free-and-reduced lunch, if a single mom, working a full-time job, was earning \$13/hour TODAY - her two kids would still be eligible for not just reduced, but FREE meals at school. This is what I mean by "too little, too late".

According to the ALICE report, we should have been at \$14/hour in 2015. According to DBEDT, we should have been at \$17/hour last year. And if you continue that trajectory, we should be at \$22/hour by 2024. This is the economy many of you have had a hand in

designing: increasing tax loopholes for the rich while disproportionately burdening the poor with a higher General Excise Tax.

And to those armchair economists who promote the fear-fantasy that other costs of living will go up for these families, I can speak to you as a landlord who recognizes that rent is the the single largest expense for a most low-income families. Except for Section 8 recipients, residential rental prices do not track the income of the tenants. Rental rates are only impacted by the supply and demand of available apartments to tenants. We can bring rates down by flooding the market with affordable rentals.

As a business investor, I have looked at operating expenses pie charts for restaurants and retail stores in Hawaii and compared them to similar businesses on the continent. There is a clear disparity among the relative allocation spent on rent, utilities and labor. Hawaii businesses allocate larger slices to rent/real estate and utilities and consequently lesser allocations to labor. So it is not labor that eats into the profits of Hawaii businesses, it is the rampant inflation of real estate and out of control utility rates. Labor costs in Hawaii have been kept artificially low because it has been easier for the Chamber of Commerce to scapegoat our lowest income earners - than to look at their own members' unsustainable business practices.

And Zippy's has the nerve to say it cannot afford to pay all of their employees a survival wage but somehow finds the money to keep renovating the Kapahulu store and build fancier and fancier architecture and interiors across Oahu. Keep in mind, all of those architects, drafts people, planners, designers, electricians, plumbers - every person contracted to work on these beautiful new restaurants are paid much more than a survival wage - and most of them are men. But Zippy's likes to echo the Chamber and blame the burden of paying waitresses a living wage.

Our state's actions have consequences. Our inaction has consequences. And our half-ass actions have consequences. When you look down and see families sinking deeper as they try to dig themselves out of a 20 foot hole - its not really "helping working families" when you drop down a 10 ladder.

I urge you to amend the minimum wage increases to give our workers a fighting chance to earn survival wages: that means \$17/hour, at the very least, by 2024.

Thank you for having the courage to do the right thing for working people.

A handwritten signature in black ink, appearing to read "Phil Cook". The signature is fluid and cursive, with a long horizontal line extending to the right.

INCOME ELIGIBILITY GUIDELINES											
Effective from July 1, 2019 to June 30, 2020											
HOUSEHOLD SIZE	FEDERAL POVERTY GUIDELINES		REDUCED PRICE MEALS - 185 %				FREE MEALS - 130 %				
	ANNUAL	ANNUAL	MONTHLY	EVERY TWO WEEKS	WEEKLY	MONTHLY	EVERY TWO WEEKS	WEEKLY	MONTHLY	EVERY TWO WEEKS	WEEKLY
<b>48 CONTIGUOUS STATES, DISTRICT OF COLUMBIA, GUAM, AND TERRITORIES</b>											
1 .....	12,490	23,107	1,926	963	889	445	16,237	1,354	677	625	313
2 .....	16,910	31,284	2,607	1,304	1,204	602	21,983	1,832	916	846	423
3 .....	21,330	39,461	3,289	1,645	1,518	759	27,729	2,311	1,156	1,067	534
4 .....	25,750	47,638	3,970	1,985	1,833	917	33,475	2,790	1,395	1,288	644
5 .....	30,170	55,815	4,652	2,326	2,147	1,074	39,221	3,269	1,635	1,509	755
6 .....	34,590	63,992	5,333	2,667	2,462	1,231	44,967	3,748	1,874	1,730	865
7 .....	39,010	72,169	6,015	3,008	2,776	1,388	50,713	4,227	2,114	1,951	976
8 .....	43,430	80,346	6,696	3,348	3,091	1,546	56,459	4,705	2,353	2,172	1,086
For each add'l family member, add	4,420	8,177	682	341	315	158	5,746	479	240	221	111
<b>ALASKA</b>											
1 .....	15,600	28,860	2,405	1,203	1,110	555	20,280	1,690	845	780	390
2 .....	21,130	39,091	3,258	1,629	1,504	752	27,469	2,290	1,145	1,057	529
3 .....	26,660	49,321	4,111	2,056	1,897	949	34,658	2,889	1,445	1,333	667
4 .....	32,190	59,552	4,963	2,482	2,291	1,146	41,847	3,488	1,744	1,610	805
5 .....	37,720	69,782	5,816	2,908	2,684	1,342	49,036	4,087	2,044	1,886	943
6 .....	43,250	80,013	6,668	3,334	3,078	1,539	56,225	4,686	2,343	2,163	1,082
7 .....	48,780	90,243	7,521	3,761	3,471	1,736	63,414	5,285	2,643	2,439	1,220
8 .....	54,310	100,474	8,373	4,187	3,865	1,933	70,603	5,884	2,942	2,716	1,358
For each add'l family member, add	5,530	10,231	853	427	394	197	7,189	600	300	277	139
<b>HAWAII</b>											
1 .....	14,380	26,603	2,217	1,109	1,024	512	18,694	1,558	779	719	360
2 .....	19,460	36,001	3,001	1,501	1,385	693	25,298	2,109	1,055	973	487
3 .....	24,540	45,399	3,784	1,892	1,747	874	31,902	2,659	1,330	1,227	614
4 .....	29,620	54,797	4,567	2,284	2,108	1,054	38,506	3,209	1,605	1,481	741
5 .....	34,700	64,195	5,350	2,675	2,470	1,235	45,110	3,760	1,880	1,735	868
6 .....	39,780	73,593	6,133	3,067	2,831	1,416	51,714	4,310	2,155	1,989	995
7 .....	44,860	82,991	6,916	3,458	3,192	1,596	58,318	4,860	2,430	2,243	1,122
8 .....	49,940	92,389	7,700	3,850	3,554	1,777	64,922	5,411	2,706	2,497	1,249
For each add'l family member, add	5,060	9,398	784	392	362	181	6,604	551	276	254	127

**HB-2541-HD-1**

Submitted on: 3/9/2020 8:40:31 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shannon Rudolph	Individual	Support	No

Comments:

Support - but digusted with legislators who are keeping constiuents in poverty year after year.

Fake Democrats. Why even pay DBEDT for studies if you won't take their advise?



**Tom Jones, Chairman** – Gyotaku      **Greg Maples, Incoming Chair** – Pounders Restaurant  
**Paul Reynolds, Vice Chair** – Outback Steakhouse      **Dirk Koeppenkastrop, Secretary** – Il Gelato Hawaii  
**Tammy Fukugawa, Treasurer** – TS Restaurant      **Keli'i Gouveia, Past Chair** – Duke's Waikiki

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**Sheryl Matsuoka**, Executive Director      **Leila Morinaga**, Executive Assistant      **Holly Kessler**, Director of Membership Relations

**2019 - 20 Board of Directors:**

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Dan Reid  
Dirk Koeppenkastrop  
Don Murphy  
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Mariah Brown  
Michael Miller  
Pat Kashani  
Paul Yokota  
Tambara Garrick  
Tammy Fukagwa  
Tom Jones  
Tyler Roukema  
Wade Hashizume

To: Sen. Brian T. Taniguchi, Chair  
Rep. Les Ihara Jr., Vice Chair  
Members of the Committee on Labor and the Arts

From: Victor Lim, Legislative Lead  
Hawaii Restaurant Association

Subj: HB2541, HD1 Relating to Helping Working Families

Date: March 9, 2020

The Hawaii Restaurant Association representing over 3,500 restaurants here in the state of Hawaii is very encouraged by the effort of the Governor and both the Senate and House bodies to put out a comprehensive bill to help the working families here in our state covering Earned Income Tax Credit, Food/Excise Tax credit, as well as the Minimum Wage, supports HB2541 HD1.

**Allied Members:**

Biff Graper  
Dan Pence  
Doug Harris  
Gerda Tom  
Jason Wong  
Matt Rose  
Michael Griffith  
Naomi Azama  
Sharon Shigemoto  
Stevette Santiago

We and most of the business community have been saying for years that we needed to look at all of the above areas in helping the working families instead of just looking at the minimum wage alone. The minimum wage is only the starting wage in our industry, it is most employee's first job. The beginning of being in the work force and career. Cost of doing business here in our state continues to be one of the highest in the country.

We are encouraged by the minimum wage schedule as proposed but please keep in mind that with any change in the starting wage, there is also a compression effect that raises total wages and not just those that are below the proposed minimum. Small incremental increases are definitely easier for businesses to absorb.

Thank you for giving us this opportunity to share our concern.

**Advisory Board**

Derek Conselva  
Heather Pence  
Jerry Agrusa  
John Richards  
Justin Yoshino  
Kehau Giles  
Lisa Tomihama  
Peter Bellisario  
Richard Turbin  
Sidney Higa  
Victor Lim



**HB-2541-HD-1**

Submitted on: 3/10/2020 12:50:47 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Justin Salisbury	Individual	Comments	No

Comments:

Mahalo to Chair Taniguchi for bringing the bill to a hearing. Mahalo to Speaker Saiki, Chair Johanson, Vice-Chair Eli, and all other Representatives who introduced this bill. I support the intent of HB 2541 and offer the following comments:

I think this bill is a great start, but I respectfully request that some additional language be added to this bill in order to make sure that it truly helps the full spectrum of working families that it is intended to help.

I respectfully request that the Committee add the contents of House Bill 693 and Senate Bill 2468, Senate Draft 2.

HB 693 will repeal the exclusion of workers with disabilities from the minimum wage protections. As Section 387-9 of the Hawaii Revised Statutes is currently written, it explicitly excludes workers with disabilities from the protections that others enjoy. If the Committee passes this bill as written, it will help some working families but exclude families that include workers with disabilities, like mine.

SB 2468 SD 2 will stop requiring that sheltered workshops, or "Community Rehabilitation Programs" (CRP's), use this blatantly discriminatory statute to use extremely cheap labor, such as workers earning 7 cents per hour, to qualify for state contracting preference.

Additionally, I respectfully suggest that the Committees consider amending the bill to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year.

Mahalo for bringing this bill to a hearing and considering my proposed amendments.

As we move forward as a State, let us move forward together, so that nobody gets left behind.



**HB-2541-HD-1**

Submitted on: 3/10/2020 10:41:36 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
donald erway	Individual	Support	No

Comments:

Randi Lau  
3049A Manoa Rd.  
Honolulu, HI 96822

March 10<sup>th</sup>, 2020

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

HB 2541, HD1: STRONG SUPPORT

Hearing: March 12, 2020; Hearing Time 3:15; Conference Room 224

Aloha Chair Taniguchi, Vice Chair Ihara, and Committee Members:

I, Randi Lau strongly supports HB 2541, HD1 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541, HD1 will increase the minimum wage with more gradual changes so that employers have time to adjust. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population.

Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541, HD1.

Sincerely,

Randi Lau  
Business Development Manager, Aloha United Way

Terri Fujii  
919 Kahena Street  
Honolulu, Hawaii 96825

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March 10, 2020

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

HB 2541, HD1: STRONG SUPPORT

Hearing: March 12, 2020; Hearing Time 3:15; Conference Room 224

Aloha Chair Taniguchi, Vice Chair Ihara, and Committee Members:

As the Chair of Aloha United Way, a member of our business community, and a lifelong resident that cares about Hawaii and our people, I strongly support HB 2541, HD1 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

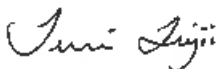
Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. This is a statistic that we should all consider to be unacceptable. ALICE stands for Asset Limited Income Constrained Employed and the report provides insight into the difficulties faced by those living above the poverty level, but below a self-sufficient income level. This is probably the hardest working group in Hawaii, working multiple jobs, but yet unable to earn a decent living. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the last recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541, HD1 will increase the minimum wage with more gradual changes so that employers have time to adjust. A recent study has shown that employers were able to adjust and continue to survive the last increase in the minimum wage. A gradual increase will allow for an even higher minimum wage to help the ALICE families. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population. These are all steps in the right direction.

Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. I urge your favorable consideration of HB 2541, HD1 and all bills related to helping ALICE.

Sincerely,



Terri Fujii

**HB-2541-HD-1**

Submitted on: 3/9/2020 6:59:07 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Raymond Catania	Individual	Comments	No

Comments:

Aloha Labor Committe Chair Sen.Brian Taniguchi and Vice Chair.Sen.Les Ihara,

The following is my comment: In 2018, at the Hawaii Democratic Party Convention I helped to write the Democratic Party of Hawaii's position in the Party's Platform on increasing the Minimum Wage to \$15 an hour. I was co-chair along with Margaret Willie of the Big Island on the Party's Platform Committee. This position is in line with the Party's National Platform of calling for \$15 an hour as the U.S. minimum wage. Let's be clear, calling for a measley \$13 by 2024 an hour is a an outright betrayal to Hawaii's working class, especially our poorest workers. Many rank and file Democratic Party activists, who are wage earners like myself, worked very hard in organizing for a more livable wage and our voices are being utterly ignored by elected officials at the Legislature. Our state's minimum wage should be \$17 an hour by 2025.

Mahalo, Raymond Catania 4215 Kole Place Lihue may11nineteen71@gmail.com

**HB-2541-HD-1**

Submitted on: 3/10/2020 12:00:38 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Andrea Nandoskar	Individual	Support	No

Comments:

Strongly support this bill!

Mahalo for your consideration.

**HB-2541-HD-1**

Submitted on: 3/10/2020 12:48:19 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nanea Lo	Individual	Comments	No

Comments:

Hello,

My name is Nanea Lo and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.

With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.

It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

me ke aloha 'Ä• ina,  
Nanea Lo



**ADA**

**HAWAII**

AMERICANS FOR DEMOCRATIC ACTION

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**MAILING ADDRESS**

P.O. Box 23404  
Honolulu  
Hawai'i 96823

March 10 , 2020

TO: Honorable Chair Taniguchi and Members of the Labor, Culture & the Arts Committee

RE: HB 2541 HD1 Relating to Helping Working Families

Support for hearing on March 12

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 HB 2541 HD1 as it would increase refundable food/excise tax credit and would increase the minimum wage.

However we would like to see a \$17 per hour minimum wage. We would prefer this happen sooner rather than later. Workers today cannot survive on less than \$17/hour which equals \$2720 per month. This amount assumes 1/2 of income would go to housing, i.e. \$1360/month rent. That is not going to get one luxury but should keep one off the street. We need a living wage to reduce homelessness and welfare dependency.

Evidence from Seattle indicates a higher minimum wage neither causes more unemployment nor causes inflation.

Thank you for your favorable consideration.

Sincerely,

John Bickel President



**HB-2541-HD-1**

Submitted on: 3/10/2020 1:06:22 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Randy Ching	Individual	Comments	No

Comments:

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

I agree that working families need help. They need lots of help. Everything in the bill will help them. But the main proposal, raising the minimum wage to \$13 an hour by 2024, is not enough.

The minimum wage needs to be a LIVING WAGE, i.e. \$17 an hour. Phase it in so that we reach 17 by 2025. Half of the families in the state fit the ALICE designation -- assets limited, income constrained, employed. We need to help them with the basics -- just so they can be sheltered. If we raise the minimum wage to only \$13 an hour, the number of homeless will increase.

Only with a living wage will the number of homeless start decreasing. Please increase the minimum wage to a LIVING WAGE. Our working families are the ones who make our economy go. Please help them. Mahalo for the opportunity to testify.

Randy Ching

concerned citizen (Honolulu)



**HB-2541-HD-1**

Submitted on: 3/10/2020 1:25:44 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Patricia Blair	Individual	Comments	No

Comments:

This bill does not adequately fit the needs of low income people now or the future. \$15-17/ hr. Is more appropriate.



Senate Committee on Labor, Culture and the Arts  
March 12, 2020 at 3:15 p.m.  
State Capitol Conference Room 224

SUPPORTING HB 2541 HD 1 WITH AN AMENDMENT

*The Church of the Crossroads, founded in 1922, is Hawaii's first intentionally multicultural church and is committed to a mission of peace, justice, and environmental preservation.*

About half of Hawaii's population have incomes that are below what is needed to purchase the necessities of life, which include housing, food, clothing, health care, and child care. In the richest nation on earth, it is distressing that so many of our neighbors are forced to decide which necessities they will do without.

A living wage in Hawaii has been determined to be \$17/hour, whereas the minimum wage is only \$10.10/hour. Although this bill proposes an increase in the minimum wage, the increase is far from adequate. Even with the tax credits created by the bill, Hawaii's minimum wage should be raised to \$17/hour.

Those who oppose an increase in the minimum wage present theories about why it would harm the economy. But there are actual historical data showing the effect the previous minimum wage increase had on Hawaii's economy.

From 2014 to 2018 Hawaii's minimum wage increased in four steps, from \$7.75/hour to \$10.10/hour. During that same period Hawaii's economy expanded. Hawaii's gross state product, which measures the value of all the goods and services produced in this state, increased from \$77.9 billion to \$93.8 billion, an expansion of about 20%.

The unemployment rate is another factor that is used to determine the health of an economy. When an economy is healthy, the unemployment rate is low. During the four-year period that the minimum wage increased, Hawaii's unemployment rate decreased from 4.7% to 2.3%.

The small business sector is critical to Hawaii's economy. During the four-year period that the minimum wage increased, the number of small businesses in Hawaii increased by 3,467, and the number of employees in small businesses increased by 29,649.

Major indicators of a healthy economy correlate strongly with an increase in the minimum wage. Too many of Hawaii's families are struggling financially. The bill should be amended to increase the minimum wage to \$17/hour.

With that amendment, the Church of the Crossroads supports the bill.

**HB-2541-HD-1**

Submitted on: 3/10/2020 2:15:49 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nathan Yuen	Individual	Oppose	No

Comments:

I oppose HB 2541 HD1 as drafted because raising the minimum wage to \$13 is too small. **I strongly support increasing the minimum wage to \$17 an hour by 2025.**

**Many of Hawaii's families barely making ends meet. \$13 an hour is not enough to offset our state's high cost of living.**

**It is known that low wage earners are in poverty and will spend every extra dollar back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to pass a living wage. Please increase the minimum wage to \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**



**Board Members**

*President*

Jason Okuhama  
Managing Partner,  
Commercial & Business Lending

*Secretary*

Marcus Kawatachi  
Deputy Director,  
Hawai'i Civil Rights Commission

Trina Orimoto  
Clinical & Research  
Psychologist

Miwa Tamanaha  
Co-Director,  
Kua'āina Ulu 'Auamo

**HACBED Staff**

Brent N. Kakesako  
*Executive Director*

Keoki Noji  
*Chief Operating Officer*

Merri Keli'ikuli  
*Bookkeeper & Office Manager*

Sean Tangco  
*Program Specialist*

Date: March 10, 2020

To: Senator Brian T. Taniguchi, Chair, Senator Les Ihara, Jr., Vice-Chair, and members of the Committee on Labor, Culture, and the Arts  
.K. Cullen, Vice-Chair, and members of the Committee on Finance

From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic Development (HACBED)

Re: Comments for HB2541 HD1

Aloha Chair Taniguchi, Vice-Chair Ihara, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) offers comments on HB2541 HD1. In addition to the changes that would make the State Earned Income Tax Credit (EITC) refundable and permanent and increasing the food/excise tax credit, HACBED offers comments for an increase to the minimum wage that lead to reaching \$17 per hour by 2025 though increases of \$1.00 or \$1.50 per year.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED played a facilitating role in the State Asset Policy Task Force and was a key contributor to the State Asset Policy Road Map. HACBED also facilitated the Family & Individual Self-Sufficiency Program (FISSP) from 2008-2016, which administered the Internal Revenues Services' Volunteer Income Tax Assistance (VITA) program as a part of its larger asset building and financial

education initiatives for needy families. The Department of Business, Economic Development and Tourism's latest Self-Sufficiency Income Standard Family Economic Self-Sufficiency Income Standard (2016) depicts the obstacles that Hawai'i families are facing. The Standard measures the amount of money that individuals and families require to meet their basic needs without government and/or other subsidies and the data shows the following percentage of families who fall below the self-sufficiency standard statewide:

- 31.7% of families with two adults and two children;
- 50.8% of single-adult families with children.

Through FISSP surveys, families have indicated that they used the EITC money to manage daily expenses, eliminate debt, open and maintain savings accounts, purchase a home, cover education costs, or start a business. An increased minimum wage would provide additional needed support and put us in line with other similarly situated states as Hawai'i.

The passage of HB2541 HD1 would go a long way to supplement the needs of these families by shifting the state earned income tax credit (EITC) to be refundable and permanent, increasing the food/excise tax credit, and increasing the minimum wage. We respectfully comment that the minimum wage should be adjusted to reaching \$17 per hour by 2025 though increases of \$1.00 or \$1.50 per year. Each of these changes supports families who are actively contributing to our workforce, is proven to alleviate child poverty and related child

health, education, and earning issues, and has a multiplier effect on our economy as these workers are most likely to spend resources from the refundable credit within their local community.

Mahalo for this opportunity to testify,

Brent N. Kakesako  
Executive Director

**HB-2541-HD-1**

Submitted on: 3/10/2020 2:48:32 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Rev. Samuel L Domingo	Testifying for Faith Action for Community Equity	Comments	No

Comments:

**Aloha, My name is Rev Samuel L Domingo and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**

**HB-2541-HD-1**

Submitted on: 3/10/2020 3:26:33 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
elizabeth hansen	Individual	Comments	No

Comments:

Aloha Senator

**Please REVISE HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025.**

**As a professional social worker by education and business, I must assert that people in Hawaii need better ways to support themselves and their families. Please support this bill.**

**Thank you.**

**Elizabeth Hansen**

**Hakalau HI 96710**

**HB-2541-HD-1**

Submitted on: 3/10/2020 3:42:24 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robin Hart	Individual	Support	Yes

Comments:

**Aloha, My name is Robin Hart, and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**



**HB-2541-HD-1**

Submitted on: 3/10/2020 3:53:29 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Judith Perino	Individual	Support	No

Comments:

I strongly support an increase in the minimum wage for Hawaii. However, this paltry amount of \$11 in 2021 is not even close to what any person can reasonably provide shelter and food for themselves anywhere in Hawaii - and certainly not if they have a family to support.

The starting increase should be amended to at least \$13, not \$11. Raising the minimum wage statistically has been proven to be positive for economic growth and spending and has had little long term impact on business, which has been the "go to" scare tactic for not passing legislation to give working people a decent wage. It's time to do the right thing.

I urge that this bill be amended to \$13 per hour minimum and passed to help our working class.

Thank you.

**HB-2541-HD-1**

Submitted on: 3/10/2020 4:02:12 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Katie Folio	Individual	Support	No

Comments:

Please increase minimum wage to \$17/hr by 2025 so families stand a better chance of making a livable wage here in Hawai`i. Mahalo nui loa.

Katie Folio, Kula, Maui

**HB-2541-HD-1**

Submitted on: 3/10/2020 2:58:58 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Richard Janik	Individual	Support	No

Comments:

I fully support a minimum wage of \$17.00/hour.

DO WHAT IS RIGHT FOR THE LOCAL PEOPLE and HOURLY WAGE EARNERS>

I FULLY SUPPORT THIS BILL.

Richard Janik, MD

PO Box 1311

Lihue, HI 96766

**HB-2541-HD-1**

Submitted on: 3/10/2020 3:05:19 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Elizabeth Nelson	Testifying for Faith Action for Community Equity	Support	No

Comments:

Almost 50% of Hawaii residents have incomes below what is needed for housing, food, clothing, health care and child care. This is an unacceptable statistic.

A wage of \$17/hour by 2024 would help so many people feel like they are contributing members of our community instead of just trying to survive.

The number of small businesses and the number of employees in small businesses actually increased when the minimum was increased.

I ask you to remember all of the residents of Hawaii and pass this bill with that amendment.

Thank you, Liz Nelson

**HB-2541-HD-1**

Submitted on: 3/10/2020 4:54:35 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Katherine MacPherson	Individual	Oppose	No

Comments:

Working families in Hawaii need and require more than this bill proposes. It is too slow reaching and will drive away the workforce from the islands due to the ever rising costs of living. Something must be done to support families and children to gain a better life . This bill should be aiming towards \$17.00 an hour. An amendment would be in order to restore the intent of this legislation.

**HB-2541-HD-1**

Submitted on: 3/10/2020 5:27:05 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joshua Kay	Individual	Comments	No

Comments:

This bill needs to be amended. \$13 an hour is not enough to survive on in 2020, much less 2024. **Hawai'i workers need no less than \$17 an hour.**

**HB-2541-HD-1**

Submitted on: 3/10/2020 6:37:41 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joyce Midori Charles	Testifying for Faith Action	Comments	No

Comments:

**Aloha,**

**My name is Joyce Midori Charles and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Mahalo Nui Loa!**

**HB-2541-HD-1**

Submitted on: 3/10/2020 7:05:49 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benton Kealii Pang, Ph.D.	Individual	Comments	No

Comments:

I offer the following comments. HB2541 HD1. This bill to raise the wage to just \$13 by 2024 won't go nearly far enough toward creating a just economy in which working families can thrive.

Suggested amendment: \$17 by the year 2025 with modest increases of \$1.00 to \$1.50 a year.

Hawaii has the highest cost of living resulting in thousands of workers throughout the state living paycheck to paycheck. Many workers and their families are on the verge of homelessness and many are struggling to make ends meet.

Unfortunately, \$13 by 2024 just isn't enough. In fact, according to the Hawaii Department of Business, Economic Development, and Tourism, a single worker in Hawaii needs to earn over \$17 an hour today to simply survive at the most basic level and by 2024 the hourly wage needed to survive will almost certainly be higher. The truth is, \$17 by 2025 is still not enough but it is a step in the right direction and will undoubtedly help thousands of workers experiencing significant economic hardship.

We live and work in a consumer-driven economy. This means the economy thrives when workers purchase goods and services. The more money in the pocket of workers means the more money to be spent. Raising the wage is an economic stimulus that will help thousands of businesses across the state.

Mahalo for the opportunity to comment.

Benton Kealii Pang, Ph.D.



**HB-2541-HD-1**

Submitted on: 3/10/2020 7:10:08 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Claire Gearen	Individual	Support	Yes

Comments:

Aloha Chair Brian T. Taniguchi, Vice-Chair Les Ihara Jr., and Members of the Senate Committee on Labor, Culture and the Arts,

Thank you for hearing HB2541 HD1. I support the bill and respectfully ask that legislators amend years 2023 and 2024 to a higher amount than \$12.50 and \$13.

I calculate that \$13 in 2024 will not be enough for full time workers to afford medical co-pays. I support our Hawaii prepaid health care act, but find that health insurance is not meaningful without the resources to pay medical co-pays. Workers earning a minimum wage may avoid needed medical care, becoming sicker.

There are at least three reputable studies on what amount is needed for a living wage, the state's own Department of Business, Economic Development, and Tourism (\$17.63), The Massachusetts Institute of Technology's living wage calculator (<https://livingwage.mit.edu/>) (\$16.46), and Aloha United Way's ALICE report. The ALICE report is based on data from 2015 and calculates a needed \$14.06 per hour for a single adult without children.

Even with a single adult who lives in Honolulu and therefore is able to pay very little for transportation (walking, biking, or riding the bus to work), \$13 will not be enough once 2024 arrives. Food and housing costs have risen far beyond regular inflation in the past decade. Moreover, if a single adult rents a room in a shared apartment or house, she or he is vulnerable to roommates eating his or her food or not paying their share of the rent one month. Currently, 15% of our community are financially vulnerable. \$13 in four years does not do enough to rectify that. Full time workers should not experience the indignity of hunger or the need to "couch surf" for shelter.

We need to do more in Hawai'i for the working poor, and raising the minimum wage to a living wage is the most powerful way to do so. I appreciate the effort of legislators to take multi-pronged action this session to improve the lives of ALICE households; however, this bill unamended will be too little too late.

Thank you for your public service,

Claire Gearen

**HB-2541-HD-1**

Submitted on: 3/10/2020 7:28:38 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mike Moran	Individual	Support	No

Comments:

**HB-2541-HD-1**

Submitted on: 3/10/2020 10:04:26 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Taniguchi and Members of the Committee on Labor, Culture and the Arts,

I am writing in support of HB2541 HD1 with a suggested amendment to raise the minimum wage to \$17 per hour by year 2025.

- Most minimum wage workers are women.
- As a result, raising the minimum wage will help reduce gender pay imbalances.
- The EITC is particularly important to women, who typically earn less than men and are more likely to bear the expenses of raising children on their own.
- Research shows that the EITC is especially beneficial to women and children:
- Mothers and children in EITC households have lower stress and better mental and physical health.
- Pregnant women who get the EITC are more likely to get early and regular prenatal care.
- The EITC effectively encourages work among women, whose increased earnings not only help immediately but also boost their retirement security through higher Social Security contributions.

Please pass this bill to address wealth disparity especially for working women earning minimum wage who are raising children.

Mahalo,

Caroline Kunitake

**HB-2541-HD-1**

Submitted on: 3/10/2020 10:15:20 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Angus Raff-Tierney	Individual	Support	No

Comments:

I support this increase in the minimum wage but IT IS NOT ENOUGH. A minimum wage of \$17 is considered a living wage, to cover food housing and other essential needs.

"A living wage is defined as the minimum income necessary for a worker to meet their basic needs. This is not the same as a subsistence wage, which refers to a biological minimum. Needs are defined to include food, housing, and other essential needs such as clothing." -wikipedia

## HB 2541 – RELATING TO HELPING WORKING FAMILIES

Aloha, My name is Kim Watts and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be **amended** to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living and one job should be enough. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. We urge our Legislators to please support and pass a Living Wage of \$17 an hour by 2025, so that families can remain in Hawaii, reduce the amount of homeless on the streets, and revive the economy, which relies heavily on consumer spending. It's a win-win for all.

Thank you for this opportunity to testify.

Kim Watts | BSW

MSW Candidate UH Manoa, Myron B. Thompson SSW

She/her/hers

808-205-1694

**HB-2541-HD-1**

Submitted on: 3/10/2020 10:31:10 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brandon W Duran	Individual	Comments	No

Comments:

Aloha legislators, we are looking to you for courageous and compassionate leadership. Please amend HB2541 and raise the amount to \$17.00 an hour. Please lead us to a just and equitable future for all families of our island home.



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## Progressive Democrats of Hawai'i

<http://pd-hawaii.com>

PO Box 51 Honolulu HI 96810

email: [info@pd-hawaii.com](mailto:info@pd-hawaii.com)

March 10, 2020

To: The Honorable Brian Taniguchi, Chair,  
The Honorable Les Ihara, Vice Chair, and Members of the  
SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS

Re: **HB 2541, HD1 Relating to the Minimum Wage**

Hearing: Thursday, March 12, 2020, 3:15 p.m., Room 224

Position: **Seek Major Increase**

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

Progressive Democrats of Hawai'i strongly support an INCREASE in the proposed minimum-wage figures in this bill. It is long past time for the State to increase the minimum wage beyond \$15.00 per hour. The arguments have been made, the economic justifications have been presented: Even \$17.00 per hour right now is NOT A LIVING WAGE. We are losing population as local people give up on trying to stay here. Hawaii has become unlivable for its own people.

We recognize that this bill is based on leadership's decisions on what can be done in the present economic climate. Indeed, leadership's decision-making presumably preceded news about coronavirus, and we are sure that the powers that be will be pointing to coronavirus as yet another reason for not increasing the minimum wage "too much."

Unfortunately, this sort of thinking will cause our lower-level wage earners greater and greater hardship. They will be falling farther and farther behind. Decent living standards will be more and more out-of-reach for them, and one job per household will definitely not be enough.

This is no way for our working people to have to live. We rely on the Senate Labor Committee to give this matter the extra attention that it needs. Thank you very much for the opportunity to testify on this critical issue.

Alan B. Burdick, Co-Chair  
Progressive Democrats of Hawai'i  
[Burdick808@gmail.com](mailto:Burdick808@gmail.com)/ 486-1018





March 10, 2020

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

Re: HB 2541, HD1: STRONG SUPPORT

Aloha Chair Taniguchi, Vice Chair Ihara, and Committee Members:

Aloha Harvest strongly supports HB 2541, HD1 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541, HD1 will increase the minimum wage with more gradual changes so that employers have time to adjust. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population.

Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541, HD1.

Sincerely,

"Phil" Augustus Acosta  
Aloha Harvest, Executive Director  
[phil@alohaharvest.org](mailto:phil@alohaharvest.org)  
(808) 208-4307

**HB-2541-HD-1**

Submitted on: 3/11/2020 2:37:44 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kate Paine	Individual	Comments	No

Comments:

This is not a fair wage increase compromise for the working person, in neither the amount nor time effective date. \$17 hr we all know is going to allow folks to buy groceries and pay some (shared space) rent. They need at LEAST that to keep the economy going, now, not in 4 years.

**HB-2541-HD-1**

Submitted on: 3/11/2020 6:22:40 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Korynn Grenert	Individual	Oppose	No

Comments:

\$13 is not a living wage, and we need to raise the minimum wage to at least \$17 to give working families the opportunity to live a high quality life under a roof, safe access to food, and the opportunity to receive healthcare.

**HB-2541-HD-1**

Submitted on: 3/11/2020 7:51:48 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ashleigh Loa	Individual	Comments	No

Comments:

**Aloha, My name is Ashleigh Loa and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**

**HB-2541-HD-1**

Submitted on: 3/11/2020 8:11:52 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jessica Kawamura	Testifying for Wahiawa United Methodist Church	Comments	Yes

Comments:

Senator Brian Taniguchi and members of the Labor, Culture and the Arts Committee, my name is Jessica Kawamura and I am the pastor of Wahiawa United Methodist Church. I am here this morning to ask your committee to raise the suggested minimum wage of \$13.00 in this bill to a higher, more reasonable amount.

As residents and voters in the State of Hawaii, we know how high the cost of living is here. Yesterday, I went to Foodland in Wahiawa, and a half gallon of milk cost over \$6.00. We know that hardworking, local families are struggling to make ends meet. This is not acceptable.

As a clergyperson, as a reverend, as a neighbor, and as a community member, I urge you to do the right thing in increasing the minimum wage so everyone in our state is able to put food on the table and roof over their head. As we sit here in the halls of power, let us consider what it means to love our neighbors and truly work for the good of the people. Thank you.

**HB-2541-HD-1**

Submitted on: 3/11/2020 8:12:51 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeff Gilbreath	Testifying for Hawaiian Community Assets and Hawaii Community Lending	Support	No

Comments:

I am writing to support HB2541, HD1 and recommend the committee increase the minimum wage to \$17 per hour from \$13 per hour. Data shows our families need this increase in order to move above the ALICE threshold and so they can circulate their money within our local economy by paying for food, housing, and public services. At the same time, our organizations understand there are a broad range of stakeholders weighing in on this bill and there is need to find middle ground. Perhaps moving to a \$15 per hour minimum wage would be an agreeable compromise amongst all parties. Mahalo for your consideration and leadership.



ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII  
**DIOCESE OF HONOLULU**  
Witness to Jesus



Online Submittal: March 10, 2020

**HEARING:** March 12, 2020

**TO:** Senate Committee on Labor, Culture & the Arts  
Sen. Brian Taniguchi, Chair  
Sen. Les Ihara, Vice-Chair

**FROM:** Eva Andrade, Executive Director – Hawaii Catholic Conference

**POSITION:** Support for HB 2541 HD1 Relating to Helping Working Families

Honorable members of the Senate Committee on Labor, Culture & the Arts, I am Eva Andrade, representing the Roman Catholic Church in the State of Hawaii in my capacity as Executive Director for the Hawaii Catholic Conference, which under the leadership of Bishop Larry Silva, represents Roman Catholics in the State of Hawaii.

Mahalo for the opportunity to provide testimony in support of HB 2541 HD1 which makes the state earned income tax credit refundable and permanent, and increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. The bill also increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

The Catholic Church has long been a supporter of a strong economy supported by economic justice. As a major employer with thousands of employees across the state, we commend the legislature for its continued efforts to create a Hawaii where families have a strong economic and social foundation. As such, the Catholic Church believes that society has a moral obligation, including governmental action where necessary, to assure opportunity, meet basic human needs, and pursue justice in economic life<sup>1</sup>.

The EITC can be one of the most successful anti-poverty tools the state has. It has been proven to have a direct and immediate effect on hardworking individuals who simply cannot make ends meet. It gives a step-up for low-income workers and families, enabling them to provide for themselves and their families and take care of basic needs. It also provides a pathway to financial stability by ensuring that more money comes back to the taxpayer. This additional income can go into a variety of different places to assist in being lifted out of poverty, including savings accounts and educational expenses.

While \$13.00 per hour is a small step in the right direction, we would support raising the minimum wage to at least \$15.00 per hour while allowing for adjustments for inflation to assure greater economic justice and opportunity for the poor and vulnerable within our society.

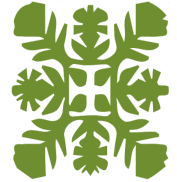
**HAWAII CATHOLIC CONFERENCE**

(The public policy voice for the Roman Catholic Church in the State of Hawaii)

6301 Pali Highway, Kaneohe, Hawaii 96744-5224 Phone: (808) 203.6704 | [www.catholicahawaii.org](http://www.catholicahawaii.org) hcc@rcchawaii.org



ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII  
**DIOCESE OF HONOLULU**  
Witness to Jesus



Page Two  
Hawaii Catholic Conference  
HB 2541 HD1

It is clear from more than a century of Catholic teaching that work is at the heart of the social question, at the heart of human dignity. We must, as a society, endorse and support the potential benefits and freedoms of a market economy; but this effort must be oriented “toward protecting human life and dignity, and advancing the common good.”<sup>ii</sup>

Making the state earned income tax credit refundable and setting a just minimum wage, will go a long way to protect worker dignity, encourage family formation, and ensure the basic needs of children. Moreover, “Increasing the minimum wage to a level that reflects the real economic reality faced by families today would go far in building an economy worthy of the humans that operate it.”<sup>iii</sup> For these reasons we support HB2541 HD1.

Mahalo for the opportunity to submit this testimony.

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<sup>i</sup> “A Catholic Framework for Economic Life.” United States Conference of Catholic Bishops. 1996.

<sup>ii</sup> Bishop Stephen E. Blaire, “Building a Foundation of Fairness: 75 Years of the Federal Minimum Wage,” [Testimony before the Senate Committee on Health, Employment, Labor, and Pensions](#), June 25, 2013, p. 5 (accessed March 13, 2019).

<sup>iii</sup> Blaire, op. cit., p. 7



Statement Before The  
**SENATE COMMITTEE ON LABOR, CULTURE AND THE ARTS**Thursday, March 12, 2020  
3:15 PM  
State Capitol, Conference Room 224in consideration of  
**HB 2541, HD1**  
**RELATING TO HELPING WORKING FAMILIES.**

Chair TANIGUCHI, Vice Chair IHARA, and Members of the Senate Labor, Culture and the Arts Committee

Common Cause Hawaii provides comments in support of HB 2541, HD1, which would (1) make the state earned income tax credit refundable and permanent, (2) increase and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income, and (3) increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy - one that works for everyone and not just the special, monied interests.

Common Cause Hawaii appreciates lawmakers' willingness to address the affordability issues facing Hawaii. Equality in our society – economic, income, and social justice – is a critical feature of successful democratic societies and effective democratic governments. HB 2541, HD1 is a first step towards helping reduce barriers that have made it more difficult for everyday Americans, especially women and people of color, to participate in our democracy. Common Cause Hawaii hopes that this Legislature will be able to do more to assist our people in need for the betterment of democracy and our society.

Thank you for the opportunity to comment in support of HB 2541, HD1. If you have further questions of me, please contact me at [sma@commoncause.org](mailto:sma@commoncause.org).

Very respectfully yours,

Sandy Ma  
Executive Director, Common Cause Hawaii

To: Senate Labor, Culture and the Arts Committee  
Senator Brian Taniguchi, Chair  
From: Rev. Neal MacPherson  
March 10, 2020

HB 2541 D1 with comment

Chair Brian Taniguchi and Members of the Committee:

I am a retired United Church of Christ minister and co-chair of Faith Action's Living Wage Committee. I am appreciative of those who have submitted this bill, which attempts to support the needs of minimum wage workers in Hawai'i.

However, my comment on the bill is that raising the minimum wage to \$13.00 an hour by 2024 is not enough. Even with the tax breaks proposed by the Governor and House Leadership, \$13.00 an hour would still leave a minimum wage worker thousands of dollars short of meeting the living wage of \$17.63 an hour that the most recent Hawai'i Department of Business, Economic Development and Tourism analysis has found a single worker needs to maintain a minimal standard of living in our state. And we are not proposing to pay a worker with dependent children more than \$13.00 an hour in four years?

HB 2541 needs to be amended to raise the minimum wage to \$17.00 an hour. Taking into account that this amount cannot be achieved immediately, a worker earning this amount still will not enjoy a living wage. But it will signal that the Hawai'i State Legislature truly values the work of those who are at the bottom of the economic ladder identified in the ALICE report.

We of Faith Action stand within the moral compass of faith traditions that seek to uphold the dignity and worth of all workers who by their labor contribute to the common good of our society. These same traditions support a living wage for all who work and hold fast to the vision of a world in which sharing by all will mean scarcity for none.

Please amend this bill and raise the minimum wage to \$17.00 an hour by 2025.

Respectfully submitted,

Rev. Neal MacPherson



## Senate Committee on Labor, Culture & Arts

Board of Directors:

### **Hawai'i Alliance for Progressive Action provides comments: HB 2541 HD1**

Gary L. Hooser  
*President*

Thursday, March 12, 2020, 3:15 p.m. Conference Room 224

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

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

Kim Coco Iwamoto  
*Treasurer*

On behalf of the Hawai'i Alliance for Progressive Action (HAPA) I am providing the following **comments on HB 2541 HD1**.

Bart E. Dame  
*Secretary*

We appreciate the intent of this bill and the legislature's focus on addressing the struggles of low-income and working families this session. However we respectfully encourage the committee to consider increasing the minimum wage to a truly living wage.

Paul Achitoff

Laura Harrelson

**\$13 an hour is about \$27,000 a year for full-time work.** That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

Kaleikoa Ka'eo

Michael Miranda

Walter Ritte Jr.

The last time Hawai'i's minimum wage earners got a raise—to \$10.10 an hour—was January 1, 2018. They already have been stuck at that level—\$21,000 a year for full-time work—for more than 2 years. With inflation eroding their pay, **\$10.10 now is worth only \$9.68**, so full-time minimum wage workers in Hawai'i are losing the equivalent of over \$500 per year to inflation.

Pua Rossi-Fukino

Karen Shishido

Leslie Malulani Shizue Miki

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. The next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is *lower* than in Hawai'i. These other high cost-of-living states also already have *refundable* state earned income tax credits (EITC), meaning that a tax payer can get a refund if their credit is worth more than they owe in income tax, for low-wage and working-class taxpayers.

In addition, EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn't have an income tax) than in Hawai'i. In other words, even if Hawai'i's EITC becomes refundable, minimum wage earners in the next 8 most expensive states will receive more from their EITCs than in Hawai'i.

With those 8 other states—all with lower costs of living than in Hawai'i—already on track to raise their minimum wage **well past \$15** in the coming years, Hawai'i should raise its wage by between \$1 and \$1.50 per year to \$17 an hour by 2025. That would mean an average increase of 11 percent per year—which is less than some of the increases in Hawai'i's minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

How much do people need to make ends meet in Hawai'i? Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to “meet their basic needs” in 2020. Other research groups have pegged basic economic security in Hawai'i even higher.

The difference between \$17 an hour and \$13 an hour is more than **\$8,000 per year for full-time work**. That's much more than the vast majority of low-wage and working-class taxpayers in Hawai'i will receive in tax credits.

In the most expensive state to live in the nation, our struggling low-wage families need bigger tax credits AND a \*robust\* boost to the minimum wage. Otherwise working-age people in Hawai'i will keep moving away to other states, where they'll be paid more and be able to afford a decent standard of living.

HAPA is a member of the Common Good Coalition and Raise Up Hawai'i.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Anne Frederick', written over a light gray rectangular background.

Anne Frederick  
Executive Director

**HB-2541-HD-1**

Submitted on: 3/11/2020 9:56:12 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
robert brower	Individual	Support	No

Comments:

Aloha. A true living wage for a single head of family is \$32 in Hawaii. This Bill would (at least) enable a couple both working full time to barely afford a basic living situation. Mahalo for a small step in the right direction

**HB-2541-HD-1**

Submitted on: 3/11/2020 10:35:51 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Maja	Individual	Support	No

Comments:

I strongly support raising a minimum waige of at least 17\$ and ask that HB2541 is amended accordingly.

March 11, 2020

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

HB 2541, HD1: SUPPORT

Hearing: March 12, 2020; Hearing Time 3:15; Conference Room 224

Aloha Chair Taniguchi, Vice Chair Ihara, and Committee Members:

Goodwill Hawaii supports HB 2541, HD1 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541, HD1 w includes tax breaks to reduce the overall tax burden on the lower income population.

Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541, HD1.

**DONATE STUFF. CREATE JOBS.**



[WWW.HIGOODWILL.ORG](http://WWW.HIGOODWILL.ORG)



**TESTIMONY TO THE COMMITTEE ON LABOR, CULTURE AND THE ARTS**

Thursday, March 12, 2020, 3:15 p.m.

State Capitol, Conference Room 224

**TO: The Honorable Brian Taniguchi, Chair  
The Honorable Les Ihara, Vice Chair  
Members of the Committee**

**TESTIMONY IN SUPPORT OF HB2541 HD1 RELATING TO HELPING WORKING FAMILIES**

I am Peter Ho, Chairman, President and CEO of Bank of Hawaii, and appreciate the opportunity to offer this testimony in support of HB2541 HD1 relating to helping working families. As a major employer with more than 2,000 employees across the state, we commend the legislature for its comprehensive, multi-pronged approach to address Hawaii's most pressing economic and social issues.

Bank of Hawaii was a major funder of the frequently cited ALICE Report along with the just-released Hawaii Financial Health Pulse Study, which provides an even more in-depth examination into the financial behaviors of Hawaii residents and the mechanisms many people use to cope with their own situations. A complement to the ALICE report, this new survey-based study sheds light on the attitudes and behaviors that Hawaii residents have about their financial lives, particularly in the areas of spending, saving, borrowing, and planning.

The new study found that only 31% of people in Hawaii are considered financially healthy. The remaining 69% are facing financial challenges. More than one-third (36%) of residents have volatile incomes that vary from month to month. And, one in five people (20%) have trouble paying their mortgage or rent. We have shared this report with legislators as its data and findings are timely and relevant to the valuable work currently underway at the legislature. Together, these studies speak to the urgency for our state's leaders in government, business, non-profit, labor and education to come together to collectively tackle these critical issues. No one group is going to solve this problem alone.

I respectfully encourage your favorable consideration of HB2541 HD1. Again, thank you for the opportunity to testify on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Ho'.



**HB-2541-HD-1**

Submitted on: 3/11/2020 11:29:35 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Momi Ventura	Individual	Oppose	No

Comments:

Please Understand That \$13 An Hour Is Certainly Not Enough To Live By In Expensive Hawai'i Nei, Henceforth The 7-Thousand Plus Homeless People Will Attest To. We Must Equal The Rents, Mortgages And Numerous Other Responsibilities We Have. We're Standing In A Long Long Line For Just For One Open Position.? Please Consider This Is Another Chance To Balance A Very Uneven Economy, Where Many Of Our Jobs Are Outsourced To Mainland People.

**HB-2541-HD-1**

Submitted on: 3/11/2020 11:40:05 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Matthew Geyer	Individual	Comments	Yes

Comments:

Aloha committe on **Labor, Culture & the Arts,**

I appreciate all you are doing to improve the living conditions for working families with this bill, but I hope you realize that 13\$ an hour is not enough to survive in Hawaii in 2020. Please amend this bill to increase the minimum wage to **at least 17\$** per hour by 2024.

Sincerely

Matthew Geyer

My name is Mylee Manley. I am a sophomore at James Campbell High School and the second oldest of four siblings. Which is sometimes a lot or even a little compared to most but four is the number I've lived with ever since my littlest sister was born. This being said, since there were so many of us, I thought it was a normal thing to constantly pass down your clothes until I brought it up to my friends and they gave me a strange face. They told me they keep and buy their own clothes which was so weird to me because I pretty much never go clothes shopping because I've always had my older sisters clothes given to me.

Why waste money? That is my mentality constantly. I've come to realize that I have that mentality because of the fact that my family has never had much. My parents work, they work a lot. My father has a full-time job as well as being a mechanic on the side. Every day after work and on weekends, he's working on a new car. My mother has two jobs, working full-time overnight and a part-time job in the morning. They do all this work and it's still difficult to feed us every day and to pay all our bills. Besides just getting to work and driving us to and from school, they have to pay for gas, which is another cost added to the endless list of necessities.

To: Senate Labor, Culture and the Arts Committee  
Senator Brian Taniguchi, Chair  
From: David Takagi  
March 10, 2020

HB 2541 HD1 with comment

Dear Chair Brian Taniguchi and Members of the Committee:

My name is David Takagi and I am one of the owners of Takagi and Takagi, a small financial services company doing business in the State of Hawai'i. Our business employs eight full time people and one part-time person. All are paid a living wage.

I am fully supportive of the effort to raise the minimum wage to \$17.00 an hour. It is the moral and just thing to do but equally important, it is good business. I pay a living wage because 1) It promotes a spirit of cooperation and enthusiasm in my office because everyone knows that their work is valued. 2) It also promotes stability in our staff because they want to stay in a place where they are paid a decent wage 3) It gives everyone the awareness that our business supports the well-being of employees as well as their families who enjoy adequate resources to support their needs. We all want an economically healthy community.

I talk to small business owners who are worried that they could not pay this higher minimum wage. I tell them it is absolutely possible. I would love the state to provide classes for small business owners and any other interested employers which would educate them on how they could successfully achieve living wages for all their employees.

We have paid a living wage for years and our business continues to grow. It is crucial that we raise the minimum wage to \$17. You all know people working two to three jobs. It is time to stop having to work two low-paying jobs to be able to keep a roof over one's head or food on the table.

Please amend HB 2541 to raise the minimum wage to \$17.00 an hour.

Respectfully submitted,

David Takagi



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 2541 HD1: Relating to Helping Working Families

TO: Senator Brian T. Taniguchi, Chair, Senator Les Ihara, Jr., Vice Chair; and  
Members, Committee on Labor, Culture and the Arts  
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
Hearing: **Thursday, March 12, 2020; 3:15 PM; CR 224**

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

Thank you for the opportunity to provide testimony **in support of HB 2541 HD1**, which makes the EITC refundable, increases and amends the food/excise tax credit, and increases the minimum wage. I am Rob Van Tassell with Catholic Charities Hawai'i. This bill addresses important social justice issues and provides first steps to address the great burden that Hawaii's cost of living places on our citizens.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai'i. This bill includes several of our social justice priorities.

Many of the vulnerable in Hawai'i are the working poor, people who earn low wages through hard work but due to our high cost of living struggle to make ends meet. We serve these low-income workers in our programs. They are often barely able to avoid homelessness, or working several jobs to juggle the basic expenses of their families and unable to spend time raising their children. These workers are parents who try very hard to support their own families but often must also rely on some type of public or charitable assistance.

Catholic Charities Hawai'i strongly supports wage and tax relief that will help our residents live a life of peace and dignity. Making the state's Earned Income Tax Credit (EITC) refundable is strongly supported. Food is of great concern to us also, especially for working families who make over the limit for Food Stamps (SNAP), who may have increased food insecurity. The change to the food/excise tax credit is a step forward. We must continue to address the high cost of food. Lack of adequate nutrition directly impacts on the health of our children and elders.

Lastly, we **support increasing the minimum wage to \$15**. A \$15 wage will get us closer to where we need to be. (\$17/hour is considered a living wage.) Higher wages lead to workers staying at a job longer, leading to higher productivity and better performance. Lower turnover leads to employers saving money in hiring and training costs. Higher wages are critical to enable workers to be self-sufficient and see hope for a future here in Hawaii. If we lose our workforce, this will have dire consequences in the future. Low-income workers spend their income on basic living expenses and higher wages would be put right back into local businesses. Raising the minimum wage needs to have many parts of the community working together to make this happen. Impacts on small businesses and even impacts on government contracts with non-profit organizations that will require additional funding for labor costs should be considered.



Catholic Charities Hawai'i urges your support for HB 2541, HD1 and a **\$15/hour minimum wage**. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356, or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org).

**HB-2541-HD-1**

Submitted on: 3/11/2020 12:33:09 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mark K.Wilson III	Individual	Support	No

Comments:

I support HB2541 HD1 if it can be amended to increase the minimum wage; \$13 by 2024 is simply not enough. Surely we all know that, given our high cost of living, a bare living wage in Hawaii would be \$17. I strongly urge you to amend the bill so that our minimum wage would become preferably \$17 but at least \$15, and much sooner than 2024.

Respectfully submitted,

Mark Wilson

**HB-2541-HD-1**

Submitted on: 3/11/2020 1:09:18 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Heather Kimball	Individual	Comments	No

Comments:

Aloha Chair Brian T. Taniguchi and members of the Senate Committee of Labor, Culture and the Arts,

Thank for this opportunity to submit comments on HB254. I strongly support raising the minimum wage and making the EITC refundable and permanent, but raising the minimum wage to only \$13/hr over 4 years is not enough. I ask that your committee to amend this legislation to increase the minimum wage to a true living wage of \$17/hour.

As a resident of Hawaii County and an active member of our community I see the impact of low wages on our community, particularly women on a daily basis. More than half of our residents are ALICE families – Asset Limited, Income Constrained, Employed. This means most of our families are living paycheck to paycheck without any cushion should someone in their family become sick or if they have another unexpected expense. A \$13 minimum wage increase by 2024 would mean a family of 4, with two minimum wage earners, would still be well below the cost of living threshold in our community.

Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawaii needs to earn \$17.63 an hour to “meet their basic needs” in 2020. Most minimum wage workers are women because they are concentrated in lower-wage industries and occupations. As a result, raising the minimum wage will help women and reduce gender pay imbalances.

Following the last increase in Hawaii’s minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation. Increasing the minimum wage to a living wage will give more spending power to our lower income families allowing them to stimulate and grow our economy.

As stated previously, I support the portion of this bill that makes the EITC refundable and permanent. The EITC is particularly important to women, who typically earn less than men and are more likely to bear the expenses of raising children on their own. The EITC effectively encourages work among women, whose increased earnings not only help immediately but also boost their retirement security through higher Social Security contributions.



Thank you for your consideration of this testimony and your past support for working families.

Mahalo,

Heather Kimball

**HB-2541-HD-1**

Submitted on: 3/11/2020 1:23:52 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

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

Comments:

**RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025**

People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

To those who say “this is not the time” and/or “this is bad for business” - the research says otherwise.

**Increasing the minimum wage is an economic stimulus** - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy. We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage. Read: [Hawaii's economy will benefit from a higher minimum wage](#)

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. **Following the last increase in Hawaii's minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation.** These are facts. Check the public record if you doubt it. Read: [Civil Beat "Minimum wage hikes have had little long-lasting effects on business"](#)

Thank you for your very kind attention!

www.WeAreOne.cc

**HB-2541-HD-1**

Submitted on: 3/11/2020 1:34:43 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Diana Tizard	Individual	Oppose	No

Comments:

Aloha Senator Tanaguchi, Committe Members,

We are testifying in opposition to the bill providing only a \$13 increase in the minimum wage. I appreciate that this committee has supported a increase in minimum wage last session and thank them for their support. However, what is needed now is a minimum wage of\$17/hour. We have an obligation to see that our citizens who work 40 hours a week can earn a wage that provides them with adequate housing, food and health care.

We suggest that HB2541 HD1 be amended to provide a minimum wag of \$17by no later than 2025. . We have heard all the testimony against minimum increases, and they have been consistently disproved. We ask that you be brave and act to provide our workers with a wage the provides for them and their families

Thank you for your attention to this issue

Sincerely, Tom and Diana Tizard

**HB-2541-HD-1**

Submitted on: 3/11/2020 1:59:11 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Faye L Wallace	Individual	Support	No

Comments:

I support this bill but \$13 is really not enough for Hawaii's working men and women and am asking that you amend HB2541 HD1 and put Hawaii on the path to \$17 by 2025 a true living wage.

Mahalo



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

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

**DATE/LOCATION: Thursday, March 12, 2020; 3:15 p.m., Conference Room 224**

**RE: TESTIMONY IN SUPPORT OF HB 2541 WITH COMMENTS– RELATING TO HELPING WORKING FAMILIES**

**We support HB 2541 which makes the state earned income tax credit refundable and permanent, increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income, and increases the minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024. This bill is a step in the right direction to support Hawaii's hard-working individuals and families.**

Thank you for creating the Hawaii EITC in 2017. Making the Hawaii EITC refundable allows more people to keep what they earn and will also help tax filers, especially those with young children, to get more back more through the credit than what they owe in state income taxes. Hawaii places the second-highest tax burden on low-income families and continues to have one of the highest costs of living in the United States. Wages are still far below to close any livable wage gap. While the minimum wage has increased, it is still not adequate enough to deal with the price disparity. As a result, many of our families continue to struggle to make ends meet or even to meet their basic needs. We would respectfully ask the legislature to **consider closing the gap and making our minimum wage closer to a liveable wage**, which is more than the \$13/hr by 2024 that the current bill proposes. \$13 an hour equals roughly \$27,000 annually, which is still below what AYW's ALICE report identifies as the current "survival" budget for a single adult; \$28,128. DBEDT's wage estimate to be able to "meet basic needs" for a single person is \$17.63 an hour.

We also ask the legislature to **consider adjusting the credit amounts and eligibility levels to catch up to inflation and phasing out the refundable food/excise tax credit to avoid the "cliff" effect that families face** when income increases. The "cliff" effect negatively affects

families when benefits decrease at a much faster rate than income increases. This leaves families in a more financially vulnerable position (regardless of increasing income) and disincentivizes them to take steps to increase income and become more self-sufficient.

History has shown that as the economy has changed to negatively impact the most vulnerable and disadvantaged in our society, it has a direct tie to increased homelessness, crime, substance abuse, decreased health, and decreased social and economic well-being. These impacts have long lasting, multi-generational consequences and impact the war on poverty and homelessness. Supporting working families strengthens the fabric of our entire community.

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii's not-for-profit organizations providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 18 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

Thank you for the opportunity to support and share our comments on **HB 2541**, please contact me at (808) 847-3285 or [rkusumoto@pacthawaii.org](mailto:rkusumoto@pacthawaii.org) if you have any questions.

**HB-2541-HD-1**

Submitted on: 3/11/2020 2:29:51 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
C. Kai Lucas	Testifying for Faith Action	Comments	No

Comments:

**Aloha Senators Taniguchi and Ihara, members of the Committee on Labor, Culture and the Arts.**

**My name is Kai Lucas, as a member of Faith Action for Community Equity, I am urging you to amend HB2541 to increase the minimum wage to \$17 an hour by 2025.**

**The recent discussions on the House floor were very dissapointing. Legislators claiming that people should live more frugally and do with less. That is an insult to the tens of thousands of workers with multiple jobs trying desperately to keep their families in Hawai'i. We can raise the minimum wage or we can increase the social services needed to subsidize the businesses which claim they can't pay a living wage.**

**With a raise, low-wage workers will spend those dollars supporting local businesses, and keeping profits here, in Hawai'i.**

**The longer we deliberate, the more difficult it will be for local wage earners to catch up, and the exodus of our families and friends will continue. Please pass a Living Wage of \$17 an hour by 2025.  
mahalo,**

**Kai Lucas**

**HB-2541-HD-1**

Submitted on: 3/11/2020 2:34:57 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
colleen	Individual	Support	No

Comments:

I support this bill and I believe that the minimum wage should be raised to at least \$15hr by 2024. The high cost of living in Honolulu has many residents struggling to pay rent and feed their families. A significant raise in wages is necessary for residents to remain in the workforce and for families to remain healthy and housed. As the cost of living grows exponentially, wages have remained stagnant over the past several years. As a result more families are losing their homes and experiencing homelessness while others are leaving the island completely seeking opportunities on the mainland in cities where the cost of living is low and wages are high like Las Vegas.



# COMMUNITY ALLIANCE ON PRISONS

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

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## COMMITTEE ON LABOR, CULTURE, AND THE ARTS

Sen. Brian Taniguchi, Chair

Sen. Les Ihara, Vice Chair

Thursday, March 12, 2020

3:15 PM – Room 224

## COMMENTS ON HB 2541 HD1 - HELPING WORKING FAMILIES

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

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai`i for more than two decades. This testimony is respectfully offered on behalf of the families of **ASHLEY GREY, DAISY KASITATI, JOEY O'MALLEY, JESSICA FORTSON AND ALL THE PEOPLE WHO HAVE DIED UNDER THE "CARE AND CUSTODY" OF THE STATE** including the ten people who have died in the last 5 months, as well as the approximately 5,200 Hawai`i individuals living behind bars or under the "care and custody" of the Department of Public Safety on any given day. We are always mindful that more than 1,200 of Hawai`i's imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons was actually floored and then really saddened when we reviewed HB 2541.

Community Alliance on Prisons supports the refundable Earned Income Tax Credit, along with a REAL minimum wage proposal. The minimum wage proposal in this bill is really demoralizing - increasing the minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024. Our islands already have too many of our people living unsheltered. We assert that \$13/hour in 2024 is not a minimum wage; it is a poverty wage and will force more families to become poor.

**Community Alliance on Prisons respectfully petitions the government to produce data on how many more individuals and families will spiral into poverty and potentially become houseless because of the outrageous cost of living and the very low wages in Hawai`i.** This report should be made available to the public in libraries and on an easily accessible public website.

No one benefits by ignoring the public health and social challenges that so many of our people contend with daily. **A government that puts the needs of their people first is where democracy thrives.** The people in Hawai`i have risen up repeatedly with the same issues for decades. There have been very clear signals and a very consistent voice of some communities standing firm for decades. What is it that you didn't hear?

You know that statistics – you’ve seen the ALICE report and DBEDT’s recommendation that people need more than \$17 an hour NOW just to survive. Why do we think it’s okay for people to live without dignity and respect? How could the government think that this is acceptable?

## THE WEALTH GAP

A four-minute video that aired on CBS<sup>1</sup> Friday morning was praised for using slices of real pie to show the huge wealth gap in the U.S.—surprising passers-by who joined anchor Tony Dokoupil at a table set up at a mall in West Nyack, New York.

*“Give this video four minutes and let’s start the revolution,” tweeted actor Matthew Lillard.*

*In the video, Dokoupil asks passers-by to divvy a pie sliced into ten pieces onto plates for quintiles of the U.S. based on income, top 20%, next 20%, etc.*

*Even the most cynical participant didn’t come close to the real amount—nine pieces for the top 20% of Americans and the bill for the lowest 20%.*

*“This is a really clever way to make data accessible!” [said](#) Washington Post video journalist Sarah Parnass.*

*Later in the segment, Dokoupil asks people at a yacht fair what they think of policies from 2020 Democratic presidential nomination hopefuls Sens. Bernie Sanders (I-Vt.) and Elizabeth Warren (D-Mass.) that would narrow the wealth gap.*

*Unsurprisingly, yacht owners were unenthusiastic about the idea of a wealth tax or other redistributive policies.*

*“It would be a total disaster,” private equity manager John Sheffield told Dokoupil.*

*The video, [said](#) journalist Justin Kanew, makes clear the stakes in the 2020 presidential election and beyond.*

*“You’re either with the yacht guys, or the people,” [said](#) Kanew.*

On behalf of the people of Hawai`i, we truly hope that you are with the people...ALL the people.

We live in a representative democracy and yet our voices have been consistently ignored as *OUR* government continually moves further and further away from the people. This is so heartbreaking and undemocratic.

Please respect the people of Hawai`i by conducting an honest, open, transparent, inclusive, and accessible discussion with the communities who suffer under bad policy proposals. Go outside the capitol and LISTEN to the people. Please rethink this. Think of your children. Don’t make people fear for the future of Hawai`i nei.

As Franklin D. Roosevelt said,

Let us never forget that government is ourselves and not an alien power over us.

**The ultimate rulers of our democracy are not a President and senators and congressmen and government officials, but the voters of this country.**

Mahalo for this opportunity to testify.

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<sup>1</sup> CBS News anchor blows mall shoppers’ minds by showing real US wealth gap — using American pie. Written by Common Dreams February 1, 2020. Watch the full report: <https://www.alternet.org/2020/02/cbs-news-anchor-blows-mall-shoppers-minds-by-showing-real-us-wealth-gap-using-american-pie/>



March 12, 2020

3:15 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, Executive vice president**

Re: HB2541 — RELATING TO HELPING WORKING FAMILIES

***Comments Only***

Dear Chair and Committee members:

The Grassroot Institute of Hawaii would like to offer its comments on the portion of HB2541 which proposes increasing Hawaii's mandatory minimum wage to \$13 an hour by 2024.

The Grassroot Institute of Hawaii is concerned about the possible effect of this legislation on Hawaii's economy, especially in light of the possible economic downturn that is expected to follow in the wake of the COVID-19 epidemic.

This week, the Economic Research Organization at the University of Hawaii [predicted](#) that the coronavirus scare would lead to a drop in tourism, the possible loss of 6,000 jobs, and a protracted recovery period.<sup>1</sup>

The UHERO report stressed that it is not yet possible to accurately predict the long-term effect of the virus on the state's economy. However, that uncertainty emphasizes the need for the Legislature to act with caution in the coming months. It is especially important to avoid actions that could lead to a rise in unemployment or hikes in the cost of living.

Unfortunately, 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

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<sup>1</sup> Byron Gangnes, et al., "Interim Forecast Update: COVID-19 Will Impose Significant Economic Impacts in Hawaii," UHERO Blog, March 10, 2020, <https://uhero.hawaii.edu/interim-forecast-update:-covid-19-will-impose-significant-economic-impacts-in-hawaii>.

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 study [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%.<sup>2</sup>

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 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.”<sup>3</sup>

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 simply redistributing wealth among low-income earners.<sup>4</sup>

Because the number of families that fall into poverty from a minimum-wage increase slightly outstrips the number of families that escape poverty from the minimum-wage increase, the state is likely to see a slight increase in the number of families living in poverty following a minimum-wage hike. This is a further demonstration of why minimum-wage hikes are the wrong tool to address poverty.

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

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<sup>2</sup> 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>.

<sup>3</sup> David Neumark and William L. Wascher, “Minimum Wages,” The MIT Press, Cambridge, Mass., August 2010, <https://mitpress.mit.edu/books/minimum-wages>.

<sup>4</sup> David Neumark and William Wascher, “Do Minimum Wages Fight Poverty?” NBER Working Paper Series, Working Paper 6217, National Bureau of Economic Research, Cambridge, Mass., August 1997, <https://www.nber.org/papers/w6127.pdf>.

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% increase in the likelihood of restaurant closings.<sup>5</sup>

The Grassroot Institute of Hawaii prefers policies that would strengthen our state’s economy and benefit both businesses and employees. This bill, however, may 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. Moreover, the lack of a tip-credit provision puts an additional burden on restaurants, which already operate with thin margins.

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.

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  
Executive vice president

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<sup>5</sup> 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>.

Grassroot Institute of Hawaii

## COMMITTEE ON LABOR, CULTURE AND THE ARTS

Senator Brian T. Taniguchi, Chair

Senator Les Ihara, Jr., Vice Chair

DATE: Thursday, March 12, 2020

TIME: 3:15 P.M.

PLACE: Conference Room 224

### **HB2541, RELATING TO HELPING WORKING FAMILIES**

#### **COMMENTS, with Amendments**

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

I support the CONCEPT advanced by this bill of creating a package of ways to raise the standard of living of working families. For example, I support changing the EITC to make it refundable. That will make it more effective in helping raise the income, as well as reduce the taxes of low-income earners. I also support increasing the Tax Credit to compensate Hawaii residents for the impact of the GET on food.

But IF we take seriously the several estimates of what a worker MUST earn in order to survive in Hawaii, for example the estimate from our own state government's Department of Business Development and Tourism, that sets the figure at \$17.63 an hour for a SINGLE person, I believe we need to either raise the minimum wage, in stages, to get to that level or makes sure the mix of reforms intended to fill the gap between wages and actual expenses actually accomplish that goal and I reject the public relations SPIN of some legislators that imply this bill, in its present form, accomplishes that. Even if a taxpayer is able to use all the tax credits being proposed here, they do not come anywhere near the income that would be provided by raising the Minimum Wage to \$17 and I think legislators should speak directly to that arithmetic.

I recognize many people eyes glaze over when it comes to discussions of economics. And that a lot of people, including legislators, slept through the lectures in their university Econ class. Last week, in a public forum sponsored by Civil Beat, Senator Kalani English said, and I quote:

**“You know, if you just raise the minimum wage and give ‘em more money, then that bowl of saimin, which used to be \$10, goes up to \$12. So you made \$2 more, but EVERYTHING rises.”**

Sorry, that is bad economics and that sort of thinking appears to be influencing the vies of more than one legislator in this building.

I urge the bill be amended to increase the minimum wage at a faster rate and in larger steps. The goal of \$15 an hour, as was being advocated by some last year, and had the public support of the Governor and many prominent legislators, was less than what was needed. Again, our own state agency, DBEDT, has said a worker needs to earn at least \$17.63 an hour to survive on Oahu. Why do we ignore our own agency. Other states and cities, with lower living costs, now require a higher minimum wage. Why do our lawmakers believe Hawaii workers deserve less than those in other states?

Thank you for the opportunity to testify.

Chair: Brian Taniguchi

Vice Chair: Les Ihara

Committee of Labor

HB 2541 HD1

3/12/2020

3:15PM, Conference Room 224

### **SUPPORT**

My name is Connor Hendrix and I am a caseworker at a social service agency and a social work student of UH Manoa, speaking of my own accord. Based on my experience as a caseworker, serving the working homeless at a food pantry that I run, and meeting with clients for rental and utility diversion assistances, I am asking, please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making a livable wage, \$13 an hour is not enough to offset our state's high cost of living. Many of the clients that I work with for diversion assistance are coming to my office because they cannot afford to pay a security deposit, or are at imminent risk of eviction due to any number of minor financial setbacks.

Recently, I had a single mother working full time to support her four children come in for assistance because she had fallen behind on her utility payments, since her rent increased unexpectedly. The limitations due to her minimum wage paying job forced her to have to choose between paying her rent and paying her utility bills. Without assistance, her electricity and water would have been cut off. It is important to raise minimum wage to a livable income so that people like this mother, can support her family without having to choose between paying rent and electricity, as well as not having to be forced to rely on abusive partner—which was her



situation before she decided to move into this apartment away from the abuser and try and make a better life for her family.

Often, my hands are tied when trying to help house the homeless and their small families with our grants requiring us to show the client's sustainability in order to assist them with funding and get them into housing, a minimum wage income is not a livable income showing sustainability in the State of Hawai'i. I often have to try and explore as many resources as possible to try and make their lives sustainable. Raising the minimum wage to \$17 an hour by 2020 would greatly assist those that are working homeless by placing them into housing and sustaining that housing. It would also alleviate the financial insecurity felt by so many families in the State of Hawaii, by keeping them from entering homelessness in the first place.

Additionally, with a raise, low-wage workers will put every extra dollar right back into our economy, supporting our local businesses and keeping profits here in Hawai'i, rather than going to out-of-state corporate headquarters, where many families in Hawai'i are forced to go. It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

Connor Hendrix

BSW Student at UH Mānoa, Caseworker

[connorjh@hawaii.edu](mailto:connorjh@hawaii.edu)



**Evelyn Hao**  
President

Senate Committee on Labor and Culture & the Arts  
March 12, 2020 at 3:15 PM.  
State Capitol Room 224

**Rev. Won-Seok Yuh**  
Vice President-  
Clergy

### **Comments to Amend HB 2541**

**William Bekemeier**  
Vice President-  
Laity

*Faith Action for Community Equity is an organization of religious and community organizations driven by a deep spiritual commitment to improve the quality of life for all of the people of Hawaii by addressing the root causes of social inequities.*

Dear Senator Taniguchi and members of the committee,

**Jon Davidann**  
Treasurer

I am Evelyn Aczon Hao, president of Faith Action for Community Equity.

**Deanna Espinas**  
Secretary

Two parents working full-time (one of them with an additional part-time job) struggle to pay for food, gas, school supplies, and rent every month. It's a family "on the brink." If the car, which one parent needs to get to a job eight miles away, should need even a minor repair, or one parent gets sick and misses work, they would not be able to pay the rent. They fall off the brink into homelessness or double up with another family on the same brink.

**Ashleigh Loa**  
Acting Executive  
Director

This scenario is real—I know, because for 20 years, I was the elementary school principal for children who came from such courageous families. Despite the challenges, the children came to school every day, equipped for the work of school, and so ready to learn. I can only admire the grit and determination my children and parents displayed in such difficult circumstances.

**Soo San Schake**  
Assistant  
Director

Those families teetering just above poverty level belong to the 37% of individuals and families in Hawaii who are employed but have incomes so low that they struggle to afford the basic necessities, which include housing, food, transportation, health care, and child care, according to the ALICE report. [That is a conclusion of a report commissioned by Aloha United Way, entitled, "ALICE: A Study of Financial Hardship in Hawaii." ALICE is an acronym for Asset Limited, Income Constrained, Employed. Another 11% of Hawaii's residents live below the poverty level. In total, 48% of Hawaii's population is ALICE and below.]

Our hard working laborers deserve a living wage of \$17.00/hour which is the amount that someone needs to earn to support themselves and their family if they are working full time.

The benefits of increasing the minimum wage have already been proven right here in Hawaii when the minimum wage was increased by steps from \$7.25 in 2014 to \$10.10 in 2018. Despite the negative predictions to raising the minimum wage, during those four years, Hawaii saw a 6.4% increase in small businesses, and the number of restaurant server positions increased by 20%.

A recent study by The Institute for Research on Labor and Employment at the University of California at Berkeley support that same scenario happening even nationwide if the national minimum wage were to be raised to \$15/hour today. The study concludes that the number of jobs would be increased slightly - not reduced. The study also concludes that although a higher minimum wage would result in slightly higher prices, it would also reduce worker turnover, increase worker purchasing power, and increase consumer spending, which drives the economy.

Faith Action for Community Equity includes members that live within the wide range of economic levels, including many in the 37%. We support them and all workers who struggle daily. We acknowledge all workers at the bottom of the pay scale who are the very ones that uphold the rest of us every day through their labor. What they do makes our work places more pleasant and clean; makes

our sports activities possible; makes dining out at fast food outlets or restaurants a time of respite for us. In so many ways, their hard work support the lives we enjoy.

Faith Action for Community Equity strongly recommends the minimum wage be increased to \$17.00/hour.



# HAWAI‘I LABOR COALITION

MORE THAN 65,000 AND GROWING

March 12, 2020

Senator Brian T. Taniguchi, Chair  
Committee on Labor, Culture and the Arts  
Senate  
State of Hawaii

Re: HB 2541 HD1 RELATING TO HELPING WORKING FAMILIES

*Aloha:*

The Hawaii Labor Coalition (HLC) supports the intent of H.B. 2541, H.D.1. The bill makes the state earned income tax credit refundable and permanent. It further increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income. Also, it increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

We respectfully request that you amend the bill to increase the minimum wage to \$17 an hour by the year 2025 and include a provision for paid sick leave.

Simply put, \$13 by 2024 just is not enough to support our working families in Hawaii. In fact, according to the Hawaii Department of Business, Economic Development and Tourism a single worker in Hawaii needs to earn over \$17 an hour today to simply survive at the most basic level and by 2024 the hourly wage needed to survive will almost certainly be higher. Seventeen dollars by 2025 is still not enough, but it is a significant step in the right direction and will undoubtedly help thousands of workers experiencing significant economic hardship.

A full-time single worker earning \$13 an hour would earn roughly \$27,000 a year, an income considered as “very low-income” by the Department of Housing and Urban Development. Most locations in Hawaii a worker would have to earn more than double their \$27,000 to simply be categorized as “low-income”. The truth is these figures are disturbing and we must do better. Workers and the families they support are struggling across Hawaii. Many workers are one paycheck away from houselessness and often times having to decide between groceries or medicine for the month.



# HAWAI‘I LABOR COALITION

MORE THAN 65,000 AND GROWING

Further, increasing the minimum wage is good for the local economy. When our lowest paid workers earn more take-home pay, they inject this money back into the economy by spending more on everyday necessities; they will buy a loaf of bread or a gallon of milk at their neighborhood grocery store or a long-overdue new pair of shoes for their child. Contrast this with high-income earners who invest extra earnings in the stock market or in other investments outside of the state and it’s evident that a higher minimum wage will be an invaluable economic stimulus tool.

Lastly, with the current SARS-CoV-2 virus (abbreviated as Covid-19 *a.k.a.* Coronavirus Disease 2019) world-wide pandemic, the HLC feels it is vitally important that all workers in the state of Hawaii have access to paid sick days to ensure the safety and well-being of all our residents and visitors.

As of March 8, 2020, there have been two reported presumptive cases of Covid-19 in Hawaii by State Department of Health. Further, the State of Hawaii, and all counties including the City and County of Honolulu, have declared emergencies due to Covid-19. These emergency governmental declarations come in the wake of the United States enactment of a Public Health Emergency for Covid-19 on January 31st, 2020 which followed after the World Health Organization declaration of an international public health emergency on January 30th, 2020.

A significant majority of workers in the service sector industry and those that greet our visitors and families that are returning to Hawaii, especially those who handle and prepare our food or engage with consumers, disproportionately do not have access to paid sick days. A small number of paid sick days will boost employee morale, help with employee retention, and most importantly ensure workers can properly seek medical care and recover before attending work. Paid sick days will help mitigate the public health concerns that stem from the spread of viruses, including Covid-19, that our globally connected society is facing today and will undoubtedly face in the future.

Again, we ask that you support an amendment to H.B. 2541, H.D.1 to \$17 an hour and enact paid sick days to help uplift thousands of workers struggling to make ends meet in Hawaii.

*Mahalo.*



**Testimony to the Senate Committee on Labor, Culture and the Arts  
Thursday, Mar. 12th, 2020 at 3:15pm  
Conference Room 224, State Capitol  
RE: HB2541 Relating to Helping Working Families**

**Position: Comments**

Members of the Committee on Labor, Culture and the Arts:

Full-time workers need at least \$17 per hour in order to afford their basic needs, and raising the minimum wage to that level or higher is necessary to ensure they are paid a sufficient wage. HB2541 does not offer that, nor does it put us on the path to a living wage.

**The Senate Passed a \$15 Minimum Wage by 2023 Twice in 2019**

The Senate stood with workers last year when they passed a [\\$15 minimum wage](#) out of their chamber [twice](#) last year. Workers need the Senate to stand with them again as they fight for a true living wage. \$13/hr by 2024 is a big step backward from last year, with workers struggling as is, we need to move forward instead. Please amend this bill to \$17/hr by 2025.

**The tax credits don't make up the difference**

The difference between \$13 per hour and \$15 per hour is more than \$4,000 per year for full-time workers. Compared to the \$17 per hour that workers need to afford their basic needs, the difference is over \$8,000. However, workers that will benefit from the refundable EITC provision in this bill will receive less than \$600 in additional funds. As a result, this bill will leave working families impoverished and worse off than a bill that raises the minimum wage to at least \$15 per hour.

**State: "No Negative Effect on Employment" from Minimum Wage Increases since 2015**

Following the increase in the minimum wage in Hawaii from 2015 to 2018, the State's Department of Business Economic Development and Tourism [found](#) no negative effect on employment. This is in line with results from other states who are well on their way to \$15+ minimum wages. Hawaii can move with confidence that raising the minimum wage will be a significant benefit to our residents.



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON LABOR, CULTURE & THE ARTS  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224  
THURSDAY, MARCH 12, 2020 AT 3:15 P.M.**

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

## **COMMENTS ON HB2541 HD1 RELATING TO HELPING WORKING FAMILIES**

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce, with approximately 650 members.

We appreciate that the Governor, House and Senate have come together on a legislative package and are trying to address Hawaii's high cost of living and pay equity through the Earned Income Tax Credit and food/excise tax credit. While very high minimum wage rates have been floated over the past several years, we welcome the consideration given to the significant impacts the business community faces with increases and the lower amounts proposed.

Regarding the minimum wage increase, we surveyed our membership on the impacts this would have on their businesses. Please see the attached chart for our survey results.

As you can see, while some say they can already afford this increase, that is very dependent upon market conditions and a strong economy moving forward. However, UHERO is projecting that the economy will take a sharp downturn at a 10% economic loss because of COVID-19 and unlike SARS in the early 2000's, it will take longer to rebound (<https://uhero.hawaii.edu/interim-forecast-update:-covid-19-will-impose-significant-economic-impacts-in-hawaii/>). COVID-19 was not on the state's radar when this bill was put forward and heard in the House Committees. It is more important to be prudent at this time because the minimum wage is set and cannot be easily adjusted.

Further, this bill frontloads the rate increase at 9% each of the first two years and then lowers the increase to 4% in the following two years. Given what we are now seeing, we feel it would be judicious to readjust the schedule to start with the lesser 4% increases in 2021 and 2022 and 9% increases in 2023 and 2024. This would be beneficial with the understanding that all are saying COVID-19 will be coming around next year and to give businesses more time to ramp up to the larger increases in 2023 and 2024. This will achieve the same goal, while giving businesses the chance to prepare given the current economic outlook.



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

Page 2

In addition, we are concerned that 24-40% of respondents to our survey (depending on business size) stated this minimum wage increase would create a hardship for their business and 10-21% (depending on business size) would have to do something to accommodate the increase.

We also want to share that the tip credit is important to many of our members and we defer to the restaurant industry to share their thoughts on what should be included in this bill with respect to a tip credit.

Finally, the minimum wage is not a living wage and we still have to tackle the high cost of living. There are many ways the government can address this, such as increasing the stock of affordable housing and rentals, creating a general excise tax exemption for food and medicine and addressing transportation costs through the gas tax and increasing public transportation, among others.

We appreciate the opportunity to provide comments on this measure and your taking into account the impacts on businesses.

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.





**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

## 2020 Minimum Wage Survey

*Reviewing the Governor/House/Senate Proposal For A  
Staggered Minimum Wage Increase To \$13 Per Hour By 2024*

**80 Total Respondents**

<b>Impacts</b>	<b>0-25 Employees</b>	<b>26-50 Employees</b>	<b>51-100+ Employees</b>
Devastating To Business	0%	10%	0%
Would Create A Hardship	24%	40%	40%
Would Not Create A Hardship, But Action Required To Accommodate \$13/Hr. Increase, Including: Raising Prices/Fees, Reducing Employee Work Hours, Employee Layoffs & Reducing Medical Insurance Costs	21%	10%	10%
Would Not Create A Hardship As \$13/Hr. Is Already Afforded (Due To Low Unemployment & Current Market Conditions) And Expect To Be Able To Afford It Moving Forward, With A Strong Economy	55%	40%	50%

**HB-2541-HD-1**

Submitted on: 3/11/2020 4:16:51 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kathryn Braun	Individual	Support	No

Comments:

I am writing to support with amendments. Specifically, the minimum wage needs to be increased to \$17/hour. I am a Professor of Public Health and Social Work at the University of Hawai'i at Mānoa, testifying as an individual.

In four decades studying and developing strategies to fight poor health outcomes, especially in native and immigrant populations, I've learned that you can predict a person's health much more accurately by looking at their zip code, rather than their cultural or racial backgrounds.

That's because health and longevity are inextricably tied to income. There is evidence all around us.

People often turn to emergency rooms and hospitals because they don't have stable housing, or are homeless, and so they can't manage their health conditions because they don't have access to clean water or electricity.

Here in Hawai'i, people working one job at minimum wage cannot make it. So, many work two jobs. But this means they have no time to engage in physical activity or cancer screening...they are just too busy.

This spells doom for our healthcare system. We have a community with a high cost of living and an unlivable minimum wage. With this comes disease, disability, and lower life expectancy.

That's why I believe the most important economic reform to improve the health of Hawaii's people is to raise the minimum wage to a livable level.

Our own state's Department of Business, Economic Development and Tourism determined that the "self-sufficiency standard" for a single person with no children was \$16.90 an hour in 2018. In 2020, that's over \$17 an hour.

Currently, our state's minimum wage falls far short of that. At \$10.10, Hawaii's full-time minimum wage workers earn only \$21,000 a year. The minimum wage bill that's currently moving through the State Capitol would raise the wage to \$13 by 2024.

For a full-time worker, \$13 an hour is only \$27,000 a year. That's not enough to live on now, let alone four years from now. Such inadequate wages will continue to contribute to the homelessness crisis and poor health indicators in our state.

I'm not speaking alone. Experts across the globe find that "social determinants of health" -- such as income, employment and education level -- are the most important set of modifiable factors that influence health. They are much more important than genetics.

The effects can be dramatic. Neighborhoods separated by just a couple of miles can see as much as a 25-year difference in life expectancy.

Without a truly livable minimum wage in Hawai'i, we are just going to get more and more sick people.

Some people in Hawai'i are opposed to raising the minimum wage because of costs. However, Hawai'i is paying in other ways. Without a livable minimum wage, we must cover the cost of health disparities, the cost of homelessness, and the cost of unnecessary hospital admissions.

As a public health professor and researcher, I know that many of the health problems in our most vulnerable populations can be traced to poverty.

I urge lawmakers to raise Hawaii's minimum wage to a true living wage to help improve the health of our residents.

## taniguchi4 - Joel

---

**From:** Andrea Anixt <andreapeatmoss6@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:38 AM  
**To:** LCATestimony  
**Subject:** Please amend HB2541 HD1 to \$17 by 2025. Too little otherwise based on Costs

Aloha,

The proposed \$13 is just not enough for someone to live on.  
I hope you will think so too and vote accordingly.

Mahalo,  
Andrea Anixt  
voter

**taniguchi4 - Joel**

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**From:** sunny brook <sunnybrookranch@live.com>  
**Sent:** Wednesday, March 11, 2020 7:29 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough

Need I say more: **HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 asap no later than 2025. Enough with the nonsense**

**Rebecca Aasand and family**

## **taniguchi4 - Joel**

---

**From:** Stacey Arnold <staceyjanearnold@gmail.com>  
**Sent:** Tuesday, March 10, 2020 3:38 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 needs to be amended to \$17 per hour

Please amend HB2541 HD1 so that the minimum wage will be \$17 not \$13. In order to pay for the basics in Hawaii, a person working 40 hours a week needs to earn \$17, not \$13. Everyone is concerned about the homeless population here. One big solution would be to propose a minimum wage that pays enough for a person to afford rent.

Jane Arnold  
1763 Iwi Way, Apt D  
Honolulu HI 96816

## taniguchi4 - Joel

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**From:** Jason Blake <jblakekauai@gmail.com>  
**Sent:** Tuesday, March 10, 2020 3:37 PM  
**To:** Sen. Brian Taniguchi; LCATestimony  
**Subject:** minimum wage

Aloha!

We need \$17 per hour by 2025.

Thank you!

--

**Jason Blake**

*Insurance Agent & Author*

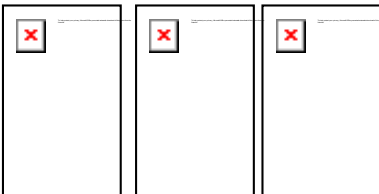
808.652.5210

Fax 877.504.9376

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***"Cheer up! It may never happen."*** Edina Monsoon, *Absolutely Fabulous*

## **taniguchi4 - Joel**

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**From:** cboscole@isomedia.com  
**Sent:** Wednesday, March 11, 2020 7:59 AM  
**To:** LCATestimony  
**Cc:** Sen. Ronald D. Kouchi  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, increase the minimum wage to \$17 by 2025

RE: HB2541 HD1 - \$13 is not enough, increase the minimum wage to \$17 by 2025

People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

To those who say “this is not the time” and/or “this is bad for business”  
- the  
research says otherwise. Read on, please.

Increasing the minimum wage is an economic stimulus - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy. We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage. Read: Hawaii’s economy will benefit from a higher minimum wage <https://www.civilbeat.org/2019/12/hawaiis-economy-will-benefit-from-a-higher-minimum-wage/>

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. Following the last increase in Hawaii’s minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation. These are facts.

Check the  
public record if you doubt it. Read: Civil Beat "Minimum wage hikes have had little long-lasting effects on business"  
<https://www.civilbeat.org/2020/03/minimum-wage-hikes-have-had-little-long-lasting-effect-on-business/>

Aloha

Christopher Boscole  
PO BOX 927  
Lihue HI 96766



## **taniguchi4 - Joel**

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**From:** Samuel Champine-Tocher <champine@hawaii.edu>  
**Sent:** Tuesday, March 10, 2020 12:56 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Please raise Hawai'i minimum wage. I am well aware of the difficulties and issues that sometimes are associated with minimum wage increase. However, Hawai'i's minimum wage is ridiculously low. There is no way that someone can survive off of this wage, forcing many to leave island, work two jobs, or become part of the growing working while houseless population. Do we want our island to retain it's not only racial but economic diversity? or do we want to exist solely as an upper-class society entirely reliant on imported goods for lack of any real industry or people to work in said industry. Raise the minimum wage now! Help Hawai'i's future.

--

**Sam Champine-Tocher**  
Botanical Support Technician  
D.O.T. Roadside Restoration  
**Lyon Arboretum**  
Micropropagation Lab  
3860 Manoa Rd, Honolulu, HI, 96822

Mobile: 360-280-3741

## **taniguchi4 - Joel**

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**From:** Robert Culbertson <dancingcloudrefuge@gmail.com>  
**Sent:** Tuesday, March 10, 2020 8:15 PM  
**To:** Sen. Brian Taniguchi  
**Cc:** LCATestimony; Sen. Lorraine R. Inouye; Rep. Mark Nakashima  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha Senator Taniguchi and members of the committee!

YES! to increasing a basic living wage for Hawaii's workers.

Everyone I know struggles to meet the escalating costs of living in Hawaii nei.

I thank you for past recognition of this fact and feel it important to call on your leadership again to make this reasonable and incremental change a landmark event for our State!

Mahalo nui loa!

Rob Culbertson  
Paauilo, HI

## **taniguchi4 - Joel**

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**From:** Dave Cunningham <cunnida@roadrunner.com>  
**Sent:** Tuesday, March 10, 2020 4:16 PM  
**To:** LCATestimony  
**Subject:** Thirteen is not enough!

I know you're busy so I will keep it concise:

The CURRENT minimum surviving wage is over seventeen dollars an hour - now - not five years from now. We need a \$17 minimum wage in 2020 with incremental increases between now and 2025 to somewhere in the \$21 an hour range.

--

:Dave Cunningham  
Hanapepe, HI  
310-505-8155

## taniguchi4 - Joel

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**From:** Sandra Dahl <stawfish@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:32 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 -\$13 is not enough, should be amended to at least \$17 by 2025

People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

Sandra Dahl  
808 429-8097  
Honolulu, HI 96815

## **taniguchi4 - Joel**

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**From:** Megan Deets <megan@dhlawkauai.com>  
**Sent:** Tuesday, March 10, 2020 1:49 PM  
**To:** Sen. Brian Taniguchi; LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha. Thank you for your consideration of my thoughts on minimum wage, and I want to thank you, Senator Taniguchi, for your past hard work on minimum wage increase. I support the minimum wage being at least \$17 by 2025 and ask that you please do your best to increase the minimum wage to a living wage for Hawaii's residents.

Thank you!

--

Megan Deets

## **taniguchi4 - Joel**

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**From:** Frank De Giacomo <fdegia@yahoo.com>  
**Sent:** Tuesday, March 10, 2020 12:57 PM  
**To:** Sen. Brian Taniguchi  
**Cc:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

\$13 is not enough.  
Try \$17 by 2025.

## taniguchi4 - Joel

---

**From:** Noreen Dougherty <montessorihale@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:28 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Please lawmakers.  
ammend to \$17 by 2025. \$13 is absolutely inadequate and an insult.  
I strongly favor an increase in minimum wage. Please make it substantial.  
Noreen Dougherty  
Kapaa Hawaii

## taniguchi4 - Joel

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**From:** Carolyn Eaton <makiki\_carolyn@yahoo.com>  
**Sent:** Tuesday, March 10, 2020 3:50 PM  
**To:** LCATestimony  
**Subject:** Minimum wage increase

I'm in favor of a \$17/ hour minimum wage by 2025. Owners and workers must share in the wealth their joint efforts bring—this is capitalism! This is Aloha!

Carolyn Eaton

Sent from my iPad



**taniguchi4 - Joel**

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**From:** Haley Grace Ferguson <haleygracef@gmail.com>  
**Sent:** Tuesday, March 10, 2020 8:58 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

**RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025**

**\$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.**

**Thank you,**

**Haley Ferguson**

## **taniguchi4 - Joel**

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**From:** D Freund <danfreund@hotmail.com>  
**Sent:** Tuesday, March 10, 2020 2:57 PM  
**To:** LCATestimony  
**Cc:** Sen. Brian Taniguchi; Sen. Ronald D. Kouchi  
**Subject:** HB2541 HD1 - now is the time to raise the minimum wage to \$17 by 2025

**The math is simple: Hawaii has the highest cost of living in the nation. It is the right thing to do to pay the poorest among us a living wage for day's work.**

**Democrats - the party of working people - control the Hawaii legislature. It is an embarrassment that we don't already have the highest minimum wage in the nation. Let's fix that now!**

- Dan

## **taniguchi4 - Joel**

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**From:** Margaret Guiler <pifflesnorts@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:42 AM  
**To:** LCATestimony  
**Subject:** HHB2541 HA1 \$13 is woefully inadequate, minimum wage must be more

It saddens me to think people try and live on the current minimum wage. It is a matter of public conscience that the minimum wage be consistently raised over time to reflect increasing costs of living.

RAISE THE MINIMUM WAGE to \$17.

Cordially, Margaret Guiler, Lihue, Kauai

## taniguchi4 - Joel

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**From:** Marian Heidel <mheidel808@icloud.com>  
**Sent:** Tuesday, March 10, 2020 1:47 PM  
**To:** LCATestimony  
**Subject:** HB 2541, the Living Wage

Dear Chair Taniguchi, and Vice-Chair Ihara,

I am very concerned that the House Committee on HB 2541 seemed to ignore the positive economic values that raising the minimum wage to a more livable wage, which for 2025 would be \$17/hour. This could be done gradually at \$1 to \$1.50/hr each year. I am told that consumer spending is more than two thirds of the economy. Low-wage workers will plow every extra dollar they get from the minimum wage boost right back into the local economy, supporting our local businesses and keeping profits here in our state. Check out this flyer [Here](#) is a flyer that explains why \$17 by 2025 makes a lot of sense. It is not morally right to expect someone to make only \$21,000 or \$27,000 per year and be able to live here. By 2025 \$17/hour will barely make it possible for one person to live here. I hope your committee will do what is necessary to keep this bill alive. Please amend the proposal to \$17/hr.

Thank you,

Marian Heidel  
Kailua, HI

## **taniguchi4 - Joel**

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**From:** Michael Howells <howellsm@me.com>  
**Sent:** Tuesday, March 10, 2020 3:26 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1

\$13 is not enough, please increase the minimum wage to \$17 by 2025.  
Thank you.

**taniguchi4 - Joel**

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**From:** Rick Janik <janikrick@hotmail.com>  
**Sent:** Tuesday, March 10, 2020 2:48 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

**The core message is that \$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.**

**Give the locals and hourly workers their due!**

**Richard Janik, MD**

**PO Box 1311**

**Lihue, HI 96766**

## **taniguchi4 - Joel**

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**From:** Elizabeth Jordan <eljordan@yahoo.com>  
**Sent:** Tuesday, March 10, 2020 1:33 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Short and sweet like my Middle School students. \$13 is not enough and even \$17 by 2025 is pretty woeful. Please, do your very best to make sure we take care of our most vulnerable families.

Aloha,  
Elizabeth Jordan  
Mākaha

## taniguchi4 - Joel

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**From:** robin knox <outlook\_65B154B0014AB18D@outlook.com>  
**Sent:** Tuesday, March 10, 2020 2:36 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

I am a small business owner. I find that paying my employees a minimum of \$20 per hour ensures that they show up stable, in good health, and ready to work.

\$13 per hour is not enough. Assuming full time 40 hours/ week that is only \$520 a week, \$2080 a month in an island state where one bedroom apartments for less than \$2000 a month is becoming increasing rare. According to affordability guidelines, a person earning \$13 an hour should not pay more than \$693 a month for rent. Even on the Big Island where rents are lower than Maui or Oahu, there is no housing that a minimum wage employee can afford.

Working people not only need housing, they need food, medical care, and transportation. Until you can figure out how to lower living costs, you need to make minimum wage a living wage, and \$13/hr will not cut it in Hawaii.

Sent from [Mail](#) for Windows 10



**taniguchi4 - Joel**

---

**From:** Susan Kukahiko <honunhoku@gmail.com>  
**Sent:** Tuesday, March 10, 2020 9:57 PM  
**To:** LCATestimony  
**Subject:** Minimum wage

13 not enough!!!! a living wage for people living

## **Why HB2541 Should Be Amended To Increase Minimum Wage To At Least \$17**

As a new minimum wage for Hawaii is debated, we should all be familiar with the latest research on the topic. In case you are not familiar with it, I would like to introduce the work of Arindrajit Dube, a professor of economics at the University of Massachusetts at Amherst. His international reputation is such that he was engaged to author an “independent report on the impacts of minimum wages, to inform the UK government’s decisions on the remit of the Low Pay Commission beyond 2020.” This report based on international data was released in November 2019 and available here:

<https://www.gov.uk/government/publications/impacts-of-minimum-wages-review-of-the-international-evidence>.

Earlier in 2019, Professor Arindrajit summarized the research done in the USA for the general public in the Milken Institute Review (see

<https://www.milkenreview.org/articles/making-the-case-for-a-higher-minimum-wage>).

The main argument against raising the minimum wage has always been that it potentially destroys jobs because employers can no longer afford to fill them. However, as Professor Arindrajit explains, the great weight of evidence shows this is generally NOT so. He summarizes his own meta-analysis of many studies that examined 130 minimum wage increases across the country since 1989. The results indicate that increasing the minimum wage:

- Does not noticeably reduce jobs over the next 5 years
- Boosts incomes of bottom 20% of families
- A 20% increase in the minimum wage lifts 4-8% of families out of poverty
- Some of that is offset by less public assistance but on average workers keep 2/3 of the benefit while we (the government) saves
- Although companies absorb the higher cost, they also often benefit through lower turnover and easier filling of vacancies (which reduces recruitment, training, and paperwork costs).

We are constantly told that the minimum wage must not be increased because it will hurt small family businesses. However, small businesses can easily be protected in the law. We therefore suspect that what is really influencing our elected representatives is intensive lobbying from the highly profitable corporations that dominate Hawaii’s service and tourism industries. With the above evidence in mind, I hope real action on behalf of Hawaii’s struggling families will be taken by amending the current weak HB2541. The goal for 2025 should be at least \$17 per hour if there is to be real impact and public benefit.

**taniguchi4 - Joel**

---

**From:** Jeanne Lindgren <jmlmilkyway@gmail.com>  
**Sent:** Tuesday, March 10, 2020 3:22 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

## **taniguchi4 - Joel**

---

**From:** Martha E. Martin <mauimarta@gmail.com>  
**Sent:** Tuesday, March 10, 2020 1:34 PM  
**To:** LCATestimony  
**Subject:** Re: HB2541 HD 1

Hawaii full-time workers need at least \$17 an hour by 2025.

The last time the minimum wage was gradually raised , it did not increase unemployment, bankruptcy, or inflation.

\$17 an hour barely covers living costs for food, housing, medical care, clothing, and other living expenses. Without enough income to have these needs met, people can become homeless and fall into drug use in desperation.

A higher income allows workers to spend more, which benefits our economy.

The best thing for Hawaii is to have happy, healthy, self-sufficient people.

Please pass incremental higher minimum wages to pay \$17 an hour by 2025.  
Business in Hawaii will be better if that happens.

Mahalo,  
Martha E. Martin  
40 Kunihi Lane #226  
Kahului, HI 96732

## taniguchi4 - Joel

---

**From:** Matt McDonald <mattmcdon@gmail.com>  
**Sent:** Tuesday, March 10, 2020 9:02 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Hi there,

RE: HB2541 HD1 - \$13/hour is not enough, please increase the minimum wage to \$17 hour by 2025

\$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.

Thank you,  
Matt McDonald

--

<https://63mph.com> | [@63mph](#) | 650.248.7757

## **taniguchi4 - Joel**

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**From:** Bob Miyake-Stoner <miyake6@gmail.com>  
**Sent:** Tuesday, March 10, 2020 8:53 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

\$17 per hour makes sense. We need a meaningful increase in the minimum wage.

Rev. Robert Miyake-Stoner (retired United Methodist minister)  
99-043 Kealakaha Drive  
Aiea, HI 96701-3544  
808-389-7759 (cell)

## taniguchi4 - Joel

---

**From:** Andrea Morgan <andreamoon2003@yahoo.com>  
**Sent:** Wednesday, March 11, 2020 6:16 AM  
**To:** LCATestimony  
**Subject:** Raise minimum wage

Aloha,

Thank you for hearing our voices the voice of the people. We pray we are represented. We have to have higher wages. Please assist.

Mahalo,

Andrea Morgan

Sent from my iPhone

## taniguchi4 - Joel

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**From:** Bonnie Morgan <artsyoceanic@yahoo.com>  
**Sent:** Wednesday, March 11, 2020 7:58 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

I have lived here in Hawaii for 24 years.

My first job I made \$12 an hour and it was so difficult trying to make ends meet . I now make around \$50,000 a year and am still living paycheck to paycheck to meet my mortgage and bills .I don't have retirement savings and will never be able to retire .

I can't imagine that this bill proposing

\$13 an hour is going to be enough for people to live on and pay the high rents here ( a studio on Maui is \$1700 a month )  
Could any of you in government live on this wage ? I doubt it . I ask you to amend this bill and make it \$17 an hour . That would be a much better direction to go . I have friends moving off island as they cannot afford to live here any longer .

We the people elected you and ask that you truly represent us and do the right thing !

Sincerely yours

Bonnie Morgan

Lahaina , Hawaii

Sent from my iPhone



## taniguchi4 - Joel

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**From:** Bonnie Morgan <artsyoceanic@yahoo.com>  
**Sent:** Wednesday, March 11, 2020 8:21 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

**Increasing the minimum wage is an economic stimulus** - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy. We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage. Read: [Hawaii's economy will benefit from a higher minimum wage](#)

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. **Following the last increase in Hawaii's minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation.** These are facts. Check the public record if you doubt it. Read: [Civil Beat "Minimum wage hikes have had little long-lasting effects on business"](#)

Please take the time to read this article . We all need to make a living wage in order to live a decent life .

Sincerely

Bonnie Morgan

Lahaina hawaii

## taniguchi4 - Joel

---

**From:** Marlo Mundon <marlomundon@gmail.com>  
**Sent:** Tuesday, March 10, 2020 1:10 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha,  
\$13 is not enough to live on. Please please help me and my family and every single person in Hawai'i trying to survive on a minimum wage that is just not enough. \$17 by 2025.  
Mahalo,  
Marlo

## **taniguchi4 - Joel**

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**From:** Lorraine Newman <alohalorraine@gmail.com>  
**Sent:** Tuesday, March 10, 2020 7:46 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha Kakou,

I want to ask that each of you use the power of your position to increase the minimum wage to at least \$15 in 2020-21, and to \$17 by 2025.

I know I don't need to explain how important this issue is to get right.

Increasing the minimum wage will help address so many of our ills... poverty, affordable housing, stress and dysfunction in families with 2-3 jobs, drug use, etc.

\$13 is not an acceptable goal.

Mahalo nui,  
Lorraine Newman  
Kauai

## **taniguchi4 - Joel**

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**From:** Len Pepper <lennardpepper@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:08 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1

The minimum wage should be increased by as much as business/government can realistically afford. \$13 is NOT enough.

## **taniguchi4 - Joel**

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**From:** Jeannie Phillips <phillips3207@gmail.com>  
**Sent:** Tuesday, March 10, 2020 1:48 PM  
**To:** LCATestimony  
**Subject:** Re HB2541 HD1

I find myself with friends who sometimes have to choose between paying their mortgage, buying medicine or eating breakfast. These people have spent a life time making a living and paying taxes and honoring their country. Now in their later years, they are being forced into bring unable to even buy a hamburger because there is no thought to their needs. Please consider this very slowly. I ask you yo reject it. Thank you for your time. Jeannie Phillips

Sent from my iPad

## **taniguchi4 - Joel**

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**From:** Sherry Pollock <gaiasbeloved@gmail.com>  
**Sent:** Tuesday, March 10, 2020 2:23 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear Senators,

People who work minimum wage jobs are barely making it, even working 40 hours a week!  
This is not right!

Increasing the minimum wage is an economic stimulus - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy.

We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage. I imagine you have already read: [Hawaii's economy will benefit from a higher minimum wage](#)

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. Following the last increase in Hawaii's minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation. These are facts. I hope you've also read: [Civil Beat "Minimum wage hikes have had little long-lasting effects on business"](#)

Please provide the leadership to help Hawaii's working poor. And make no mistake, all people working for minimum wage are poor!

Thank you for your consideration.

Sincerely,  
Sherry Pollock  
PO Box 30886  
Anahola, HI 96703

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**“There is no passion to be found playing small - in settling for a life that is less than the one you are capable of living.”** Nelson Mandela

## **taniguchi4 - Joel**

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**From:** Francine Roby <francineroby@gmail.com>  
**Sent:** Tuesday, March 10, 2020 1:39 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

For many years, I held a civilian law enforcement compliance position enforcing the US Federal minimum wage. I saw first hand how minimum that is, and still some employers would not pay it, forcing people into debt, homelessness, and neglected families and communities as they struggled to hold several jobs. Every time the federal minimum wage went up, I heard the arguments about how it will negatively affect businesses, and I recognized that argument went all the way back to the first minimum wage in 1938, and it is false. Increasing the minimum wage is an economic stimulus - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy.

We must help working people survive in this economy, that the legislature has had a hand in producing by incentives and laws, and provide an economic stimulus to all of us at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage. People who work deserve a decent, livable wage in the community in which they live, and many States and communities have stepped up to meet their own needs. Hawaii must do this too.

But \$13 is not enough and \$17 by 2025 is what is needed, as a absolute and inadequate minimum, and that is what studies say people need right now to afford minimal housing and live here.

You can follow the research and historical experience here locally in Hawaii -- and nationally with the federal minimum wage and other states' experiences-- which has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. Following the last increase in Hawaii's minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation. These are facts, available in the public record.

Please demonstrate your leadership and civic responsibility to pass HB2541 HD1 with not less than \$17 minimum wage in Hawaii by 2025.

**Mahalo,**  
**Francine Roby**  
**46-3875 Old Mamalahoa Hwy**

# Honokaa HI 96727

Aloha, Francine



## **taniguchi4 - Joel**

---

**From:** Sandra Scarr <sandrascarr@gmail.com>  
**Sent:** Tuesday, March 10, 2020 2:30 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

The cost of living in Hawaii, particularly housing, is among the highest in the nation. The minimum wage must reflect that reality.

Many full time workers cannot afford to rent a place to live. Some are among the homeless on our streets. If the minimum wage were \$17, that group would not be homeless.

I strongly support raising the minimum wage to \$17 by 2023, phased in. That would be good for our economy, as well as a humane measure.

Sandra Scarr  
Holualoa 96725

## **taniguchi4 - Joel**

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**From:** Henri Etta Schmitz <henriettaexroad@hotmail.com>  
**Sent:** Tuesday, March 10, 2020 10:22 PM  
**To:** LCATestimony  
**Subject:** HB 2541....\$13/hr is NOT ENOUGH!

**taniguchi4 - Joel**

---

**From:** Edward Sills <3ewars@gmail.com>  
**Sent:** Tuesday, March 10, 2020 11:42 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

## **taniguchi4 - Joel**

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**From:** Samuel Small <sam@swvs.net>  
**Sent:** Tuesday, March 10, 2020 1:26 PM  
**To:** Sen. Brian Taniguchi; LCATestimony  
**Subject:** \$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.

Begin forwarded message:

**From:** Gary Hooser <[garylhooser@gmail.com](mailto:garylhooser@gmail.com)>  
**Subject:** Perhaps my most important email of the year -  
**Date:** March 10, 2020 at 12:50:03 PM HST  
**To:** Samuel Small <[samsmall@ptd.net](mailto:samsmall@ptd.net)>  
**Reply-To:** <[garylhooser@gmail.com](mailto:garylhooser@gmail.com)>



Share



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Game on.

HB2541 HD1 which among other things proposes to increase Hawaii's minimum wage to \$13, is scheduled for its first hearing in the State Senate Committee on Labor, Culture and the Arts, this coming Thursday, March 12 at 3:15pm in room #224 at the Capitol on Oahu.

Now is the time for residents on every island to weigh in on the issue to say \$13 is not enough and \$17 by 2025 is what is needed.

We must go all out on this one. I'm talking all the way to the wall, and then through it.

People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

To those who say "this is not the time" and/or "this is bad for business" - the research says otherwise and it's very clear that the opposite is true.

Increasing the minimum wage is an economic stimulus - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy. We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage.

Read: [Hawaii's economy will benefit from a higher minimum wage](#)

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. Following the last increase in Hawaii's minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation. These are facts. Check the public record if you doubt it. Read: [Civil Beat "Minimum wage hikes have had little long-lasting effects on business"](#)

**Please contact Committee Chair Senator Taniguchi TODAY directly via email: [sentaniguchi@capitol.hawaii.gov](mailto:sentaniguchi@capitol.hawaii.gov)**

It is critically important that Hawaii residents across all islands, reach out to him and the committee immediately. **The core message is that \$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.**

**Send testimony TODAY also to:**

[LCAtestimony@capitol.hawaii.gov](mailto:LCAtestimony@capitol.hawaii.gov)

Put your main message in the subject line: **RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025**

Email your testimony as soon as possible and no later than Wednesday, March 11th at 3:15pm as it must be submitted 24 hours in advance of the hearing.

**Email your own district State Senator as well:** [Contact information for entire Senate is HERE:](#)

**KEEP ALL COMMUNICATIONS PROFESSIONAL AND COURTEOUS - PLEASE**

[See the STATUS and read Bill HB2541 HD1 - HERE](#)

Note: **Senator Taniguchi and his committee have historically been friends of working people and supportive of increasing the minimum wage above the \$13 level.** Last year his committee supported a \$15 increase however the House of Representatives pulled the plug and refused to agree. **Please frame your messages in a positive light** and perhaps thank him for his past support, while asking that he amend HB2541 HD1 and put Hawaii on the path to \$17 and a true living wage.

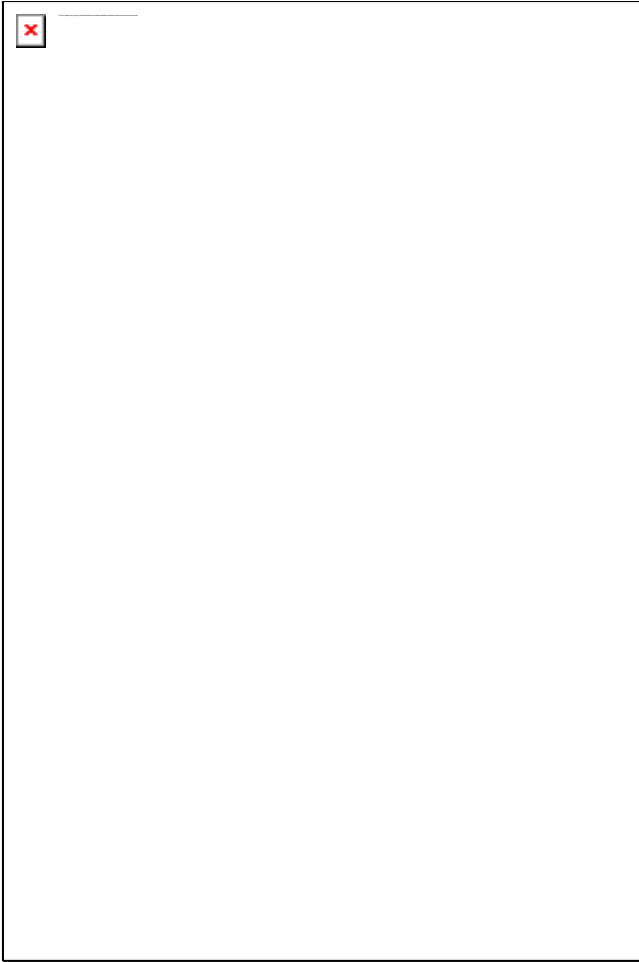
Personally, **I see this email as perhaps the most important message I am sending out this year. Your active involvement today can help improve the lives of over half of the people living and working in our community - on every island.**

Please, take action today. Send the email, make the calls and share this message with your networks and friends. It's important.

Sincerely,

[Gary Hooser http://www.garyhooser.com](http://www.garyhooser.com)

Note: If you received this email forwarded from a friend, [please consider subscribing directly by going to http://garyhooser.com/#four](#)



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[why did I get this?](#) [unsubscribe from this list](#) [update subscription preferences](#)  
Gary Hooser · 5685 Ohelo Road · Kapaa, HI 96746 · USA



**taniguchi4 - Joel**

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**From:** Susan Stayton <susan.stayton@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:04 AM  
**To:** LCATestimony  
**Subject:** Request for Amendment to HB2541 HD1

To Senators on the State Senate Committee on Labor, Culture and the Arts,

Please amend HB2541 HD1 To increase the minimum wage in Hawaii to \$17 by 2025.

**\$13 in 2024 is woefully inadequate, and HB2541 HD1 should be amended to at least \$17 by 2025.** While still falling short of a true living wage, \$17 phased in over the next 5 years, would be a strong step in the right direction.

As a long time business owner in Hawaii, I know that good wages make for happier employees which improves business. We are losing the ability of low wage earners to live in Hawaii. We must change that now with a REAL minimum wage increase.

Thank you for your consideration,  
Susan

#####  
Susan Stayton  
PO Box 1113  
Lawai, HI 96765  
808-651-9070

**taniguchi4 - Joel**

---

**From:** Tamara Swift <swiftt@hawaii.edu>  
**Sent:** Tuesday, March 10, 2020 12:53 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

## **taniguchi4 - Joel**

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**From:** Gabriela Taylor <gabrielataylor40@gmail.com>  
**Sent:** Tuesday, March 10, 2020 3:04 PM  
**To:** Sen. Brian Taniguchi; LCATestimony  
**Subject:** sentaniguchi@capitol.hawaii.gov

**My message is that \$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.**

**Sincerely, Gabriela Taylor**  
**Kauai resident**

## taniguchi4 - Joel

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**From:** Colleen Toyama <colleentoyama@hotmail.com>  
**Sent:** Tuesday, March 10, 2020 2:05 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

I strongly believe Hawaii's minimum wage should be increased even further than \$13/hour. I worry about our State losing its workers to the Mainland and being supplanted with wealthy retirees. This minimum wage hike may help the situation.

I also wish there was a way to discourage foreign investors or other non-residents from buying property and raising home prices beyond what our children can afford.

Respectfully,  
Colleen Toyama  
Lihue, Kauai

Sent from [Mail](#) for Windows 10

## **taniguchi4 - Joel**

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**From:** Kathy Valier <kbvalier@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:54 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Please amend HB2541 HD1 to set the minimum wage at \$17/hr by 2024. The cost of living in Hawaii is 88% higher than the national average. Right now \$13/hr is enough to cover basic needs from take home pay and allow \$600/mo for rent, which is almost impossible to find now. By 2024 it will be even more inadequate. \$17/hr would allow a minimum wagger worker \$1100/mo for rent.

Mahalo,  
Kathy Valier  
4771B Wainiha Powerhouse Road  
Kauai, Hawaii

## **taniguchi4 - Joel**

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**From:** vernon family <vernonhanalei@gmail.com>  
**Sent:** Wednesday, March 11, 2020 7:30 AM  
**To:** LCATestimony  
**Subject:** Hb2541

Please make a minimum wage that is a living wage. 13 is not. It needs to be around 20.  
Thanks for your time  
Aloha

## **taniguchi4 - Joel**

---

**From:** Robert Wilcox <bertzz@me.com>  
**Sent:** Tuesday, March 10, 2020 5:23 PM  
**To:** LCATestimony  
**Subject:** Minimum Wage

**\$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.**

**Robert Wilcox  
45 Pulau Loop  
Lahaina, HI 96761**

## **taniguchi4 - Joel**

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**From:** evernw@aol.com  
**Sent:** Tuesday, March 10, 2020 9:53 PM  
**To:** Sen. Brian Taniguchi; Sen. Les Ihara, Jr.; LCATestimony  
**Subject:** Pass HB2541 HD1 - residents need a living wage

### **Senators,**

Please pass HB2541. And go further to not only help Hawaii's working men and women now. Phase in wage increases up to \$17 by 2025.

This action is a compassionate, common sense, forward thinking legislation that will also stimulate the economy,

Your full support to pass this bill will be greatly appreciated.

Evern Williams  
3220 Esther Street  
Honolulu, HI. 96815  
808-392-1486



## taniguchi4 - Joel

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**From:** Aimee Zuke <aimeemalialani@hotmail.com>  
**Sent:** Wednesday, March 11, 2020 8:11 AM  
**To:** LCATestimony  
**Subject:** \$13 minimum wage

To whom it may concern

Our state needs to raise the minimum wage to \$13...with the incredibly high cost of living Hawaii residents need more money to live.

 Aimée

**taniguchi4 - Joel**

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**From:** Carol Allen <callen2@twc.com>  
**Sent:** Wednesday, March 11, 2020 9:21 AM  
**To:** LCATestimony  
**Subject:** Min wage

I support \$17 by 2025. Carol Allen

*Sent from my Verizon Motorola Smartphone*

## **taniguchi4 - Joel**

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**From:** David Atcheson <atchesond@gmail.com>  
**Sent:** Wednesday, March 11, 2020 9:28 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$17 by 2025

Dear Chair Taniguchi, Vice Chair Ihara, and committee members,

I am writing regarding HB2541 HD1. While I am pleased that the legislature is advancing legislation to raise the minimum wage, I feel that going up to \$13 is not nearly enough.

I have been supportive of national efforts to raise the baseline minimum wage to \$15, taking into account that some states will need to go farther. Hawaii is clearly one of those states!

Please amend the bill such that the minimum wage rises to \$17 by 2025. That is a much better target if we want to have a minimum wage that aligns with a living wage for working people in Hawaii.

Thank you for considering my comments.

With aloha,

David Atcheson  
1212 Nuuanu Ave Apt. 906  
Honolulu, HI 96817

## taniguchi4 - Joel

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**From:** Barbara Barry <begoniabarry@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:37 AM  
**To:** LCATestimony  
**Subject:** Hawai'i and minimum wage.

Aloha,

13.00 per hour by 2024 is an absolute joke. Everyone knows it.

As you get your salary increases and pay your bills, please think what it would be like to be earning 13.00 per hour and still working multiple jobs to pay your bills as well as not being able to afford your own safe and quiet place to live and raise your family.

Greedy people should not be making decisions for Hawai'i and the lowest paid workers.

Please, amend HB2541 to be at least 17.00 per hour by 2025.

This is the bare minimum that humans who work and live in Hawaii need to make to live and thrive here and is actually still not enough.

Mahalo,

Ms. Barbara Barry

Ha'ikū

**taniguchi4 - Joel**

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**From:** Ilene Bellerue <biz@jadehealth.net>  
**Sent:** Wednesday, March 11, 2020 8:35 AM  
**To:** LCATestimony  
**Subject:** : RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

**: RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025.**

## **taniguchi4 - Joel**

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**From:** Josie Bidgood <josie.bidgood@gmail.com>  
**Sent:** Wednesday, March 11, 2020 9:54 AM  
**To:** Sen. Brian Taniguchi  
**Cc:** LCATestimony; Chuck Pearson; Josie Bidgood  
**Subject:** HB2541 HD1 - \$13 is not enough; please raise to \$17 by 2025

Dear Senator Taniguchi,

First of all, thank you to you and your committee for your prior support of higher minimum wages here in Hawaii. I appreciate your efforts.

I am writing to ask that your committee amend HB2541 HD1 to reflect a goal of a \$17/hour minimum wage by 2025. Our families work very hard here in Hawaii and deserve a living wage.

Many thanks for all that you do.

Sincerely,

Josie Bidgood  
47-122 Mapele Way  
Kaneohe, HI9674

## taniguchi4 - Joel

---

**From:** SW Bunyan <wyaloha@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:18 AM  
**To:** LCATestimony  
**Subject:** Minimum Wage

To the point, a "living wage" should be expected by Hawaii's residents, both employers and employees. And, what is that? \$25/hr. Why are we fiddling around with \$13 and incremental increases through 2025? We're better than that. We are Paradise to many, a beacon. Let's live the adulation... make ourselves worthy.

SW Bunyan

Wainiha (Far North Shore), Kauai

PS: I engage 4 part-time helpers (yard worker, bookkeeper, handywoman and house-keeper) and am a "commission-only" independent contractor, not an employee. I pay \$25-30/hour.

My last "vacation" was over 12 years ago.

My savings are slim.

My conscience is clear. Is yours?

--

Sunny-Wyanne Bunyan  
R(A), JD, GRI, CRS, ABR, RENE  
Na Pali Properties, Inc.  
Hanalei Town  
Kauai, Hawaii 96714  
808-634-8122  
Sunny@SunnyBunyan.com

## **taniguchi4 - Joel**

---

**From:** Bill Chase <bill.oncenter@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:03 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Senator Taniguchi,

working people deserve better than \$13 per hour. they deserve better than \$17 per hour. and small business will be hard pressed to make even that transition. and the success of small business is critical to our economy. how to reconcile?

we don't expect the same performance from high school athletes that we do from olympians, so why do we manage our economy on a "one size" fits all basis? this is neither rational nor just.

in germany, a very successful and powerful economic power, the requirements and obligations put on business by civil society are tiered . . . tied to the size of the enterprise being regulated. wal mart can afford \$22.50 per hour. ace hardware can afford \$22.50 per hour. family owned grocery stores and mom and pop hardware stores cannot.

please, honor the working class, not the bankers.

if germany can very very successfully do it, so can we. and lead the nation.

sincerely,

bill chase



## **taniguchi4 - Joel**

---

**From:** Margery Freeman <freemanmargery@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:20 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

To whom it may concern  
subject: HB2541 HD1

This bill, which is coming before you soon should be amended.  
\$13 per hour is NOT ENOUGH. Amend it to read \$17 per hour by 2025. There is no way a family can live decently on \$13 per hour,

Please vote to change the law to read \$17 per hour by 2025. With our economy as it is today the raise will have no negative results and may have many positive ones.

Please vote for \$17 per hour.

Aloha,

Margery Freeman

4-820 Kuhio Hwy. #D405  
Kapaa, HI 96746

## **taniguchi4 - Joel**

---

**From:** Diane Koerner <dianekoerner@yahoo.com>  
**Sent:** Wednesday, March 11, 2020 9:45 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha,

I am asking on behalf of everyone in Hawaii to please change HB2541 HD1 to increase the minimum wage to \$17 by 2025.

All of my neighbors are working two jobs just to make ends meet. The cost of living in Hawaii is so high - how can its people survive on such low wages? People who work 40 hours a week, deserve to be paid a wage that allows them to have a decent place to live, 3 meals a day and basic health care.

To those who say “this is not the time” and/or “this is bad for business” - the research says otherwise. Read on, please.

Increasing the minimum wage is an economic stimulus - low income working people spend the money they earn almost immediately, putting those dollars back into the local economy. We can help working people and provide an economic stimulus at the same time by increasing our minimum wage now, putting all Hawaii on a path to a true living wage.

The research and historical experience here locally in Hawaii has demonstrated clearly that as long as increases are phased in over time, negative economic impacts on business are minimal to nonexistent. Following the last increase in Hawaii’s minimum wage, there were no increases in unemployment, no increases in bankruptcy and no related or inordinate increases in inflation.

Mahalo,  
Diane Koerner  
Kapaa, HI 96746

## **taniguchi4 - Joel**

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**From:** Christen Marquez <christen.marquez@gmail.com>  
**Sent:** Wednesday, March 11, 2020 9:11 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear Senator Taniguchi and Members of the Committee on Labor, Culture and the Arts,

People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care. \$13 an hour is not a living wage today and it will be even worse by 2025. Working families are leaving Hawaii at a shameful rate and you have the power and position to help provide relief.

I appreciate that this committee has, in general, been friends of working people and supportive of increasing the minimum wage above the \$13 level. Last year your committee supported a \$15 increase however the House of Representatives refused to agree. Again, I want to thank you for your work and support but I implore you to take on this additional but crucial challenge to amend HB2541 HD1 and put Hawaii on the path to \$17 and a true living wage.

Mahalo,

Christen Hepuakoa Marquez  
Pronouns: she/her and they/them  
cell: 917 428 4984  
[christen.marquez@gmail.com](mailto:christen.marquez@gmail.com)  
[www.christenm.com](http://www.christenm.com)

## taniguchi4 - Joel

---

**From:** Karin Medigovich <karinmedigo@gmail.com>  
**Sent:** Wednesday, March 11, 2020 9:43 AM  
**To:** LCATestimony  
**Subject:** Living wage \$20

Most of my life I have very creatively lived at poverty level 15 per hour 60 hours per week. Today I make 24.50 per hour here in Kauai at 40 hours per week with the possibility of small raises. It is enough for now. Most people I know cannot live on less than \$30 per hour so they work 80 hrs per week for 15 per hour. Anyone I know that earns less than 15 per hour is impoverished and lives sub standard. Please increase minimum wage to the maximum. A low minimum wage just sends more people to jail, the hospital and social services. Thanks!

Karin Medigovich  
33400 Kuhio Hwy A411  
Lihue HI 96766  
808 631 4982

## **taniguchi4 - Joel**

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**From:** Christine <christinemelamed@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:34 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Aloha State Legislatures,

I solemnly ask for you to please sincerely contemplate amending bill HB2541 HD1 to reflect a \$17 minimum wage for all workers in our beautiful state of Hawaii. Life in Hawaii has always been considered a much simpler way of life which had attracted many to these islands along with it's beauty. Families are our true value and they must be able to nurture all that that entails, without the undue and unnecessary burden of worrying about if they'll make rent or have enough to feed their family, and just as importantly, having the time to enjoy going to the beach, fishing or, seeing a movie. I understand there are many factors to consider, and as this increase will be incorporated over the next few years, please consider the most important factor, which is, that more folks will be able to go out and enjoy themselves and enjoy more family time. The money will re-circulate, whether its dinner out with the family, ice creams on the beach or having enough to save up for their own home, it's all there to keep everyone afloat.

Mahalo for your time and thoughtful consideration.

Christine Melamed

Sent from my iPhone

## **taniguchi4 - Joel**

---

**From:** Toi Pua La`a . <alolaa108@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:36 AM  
**To:** LCATestimony  
**Subject:** Minimum Wage

To Whom It May Concern:

Please count my testimony in regards to :  
**HB2541 HD1**

**I believe HB2542 HD1 should be amended to at least \$17 by 2025.**

Costs of living in Hawaii have risen each year, while taxes, rent and basic expenses skyrocket. The proposed \$17./hour is less than a true living wage, and would be phased in over the next 5 years. It would be a strong step in the right direction.

Thank you.  
Ms. Toi Pua La`a Norwood  
PO Box 1469  
Hanalei, HI 96714

*Aloha ke kahi ke kahi.  
Malama pono, malama kino.  
E Ola!  
(Love each other, one another.  
Care for/Respect Righteousness, care/respect your body.  
Live life in Health!)*

*Pua La`a*

Alo La`a ~ Danse Arts Yoga Studio  
in Ching Young Village, Hanalei  
5-5190 Kuhio Hwy., D-10  
Hanalei, Hawaii 96714  
Mobile: [808 652 9642](tel:8086529642) (YOGA)  
[alolaa108@gmail.com](mailto:alolaa108@gmail.com)  
[www.alolaa.yoga](http://www.alolaa.yoga)

**taniguchi4 - Joel**

---

**From:** Christopher Pala <chrispala@gmail.com>  
**Sent:** Wednesday, March 11, 2020 10:08 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not nearly enough, please increase the minimum wage to \$20 by 2025

## taniguchi4 - Joel

---

**From:** Susan S Scott <sue@kauaibeach.com>  
**Sent:** Wednesday, March 11, 2020 9:39 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

I'm urging the Senate Committee to increase the minimum wage in Hawaii to \$17 to be phased in over several years. The money earned will prevent more state expenditures for homeless people.

Thank Uoi,

Susan Scott  
6931 Pomaikai St  
Kapaa, HI 96746



## **taniguchi4 - Joel**

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**From:** balihai7 <balihai7@hawaii.rr.com>  
**Sent:** Wednesday, March 11, 2020 9:43 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1-\$13 is not enough

Dear Madam/Sir,

Please increase the minimum wage to \$17 by 2025.

Mahalo,

Lilinoe Smith

Kalaheo, Kauai 96741

## **taniguchi4 - Joel**

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**From:** Marc Volkmer <marcvolkmer@hotmail.com>  
**Sent:** Wednesday, March 11, 2020 10:50 AM  
**To:** LCATestimony  
**Cc:** Sen. Ronald D. Kouchi  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Thank you for your continued support of the working people of Hawaii!

Sincerely,

Marc Volkmer  
Lihue, HI 96766

Sent from my iPhone

## **taniguchi4 - Joel**

---

**From:** Marj Dente <mdente@hawaii.rr.com>  
**Sent:** Wednesday, March 11, 2020 1:08 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

To Whom it may concern:

Bill HD2541 HD1 should NOT be passed in its present form with increasing the minimum wage to \$13.00 an hour. The absolute minimum wage must be \$17.00 an hour. If prices increase, I will pay them gladly.

Thank you for your consideration,

Marjorie Dente, resident property owner since 1989  
6335 Waipouli Rd, Unit B, Kapaa, HI 96746 808-823-8162

## taniguchi4 - Joel

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**From:** Sam Fisk <samfisk63@gmail.com>  
**Sent:** Wednesday, March 11, 2020 11:20 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1

\$13 is not enough please increase the minimum wage to \$17 by 2025.  
Sam Fisk

## **taniguchi4 - Joel**

---

**From:** Daniel Grantham <dannygr@hawaiiintel.net>  
**Sent:** Wednesday, March 11, 2020 11:36 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Yes, times change. Consider the cost of a good, healthy meal, particularly if you take a friend to a restaurant.

Is \$13 enough to pay for a meal, a drink, and a decent tip for the service?

Maybe barely, at a low cost place, which we appreciate being there so we can afford to eat out once in a while.

We are a community, and the more money we earn, the more we have to spread around the community.

When we keep profits in the hands of those who already have plenty, money tends to be invested, often in real estate, which then increase their rents to pay for the new investment, which tends to raise housing prices.

Yes, the investor makes more money, but where does it come from? Ultimately, from those who do the work at wages that are not increasing with prices.

Please make sure your fellow residents can afford to live on what they are paid for work.

Mahalo,  
Daniel

## **taniguchi4 - Joel**

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**From:** Tom Iwanicki <iwanicki.t@gmail.com>  
**Sent:** Wednesday, March 11, 2020 11:44 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha Chair and members of the Senate Labor, Culture and the Arts Committee,

I am writing you today to emphatically encourage you to amend HB2541 HD1 to increase the minimum wage to a living wage in Hawai'i. Please fight for working people and increase the minimum wage to at least \$17. It is not only the moral choice but an economic stimulus that the whole state would benefit from.

Aloha,

Tom Iwanicki

## **taniguchi4 - Joel**

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**From:** Kathleen Kelley <kathy.kelley@me.com>  
**Sent:** Wednesday, March 11, 2020 12:40 PM  
**To:** LCATestimony  
**Cc:** Sen. Ronald D. Kouchi  
**Subject:** RE:HB2541HD1-\$13 is not enough, please increase the minimum wage to \$17 by 2025

**taniguchi4 - Joel**

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**From:** Allison Mikuni <allison.mikuni@gmail.com>  
**Sent:** Wednesday, March 11, 2020 11:26 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 -- SUPPORT

I am writing to SUPPORT HB 2541 HD1 to raise the minimum wage.

Thank you for your past support of the increase and if it would be possible to amend the bill to raise it to \$15 per hour or \$17 per hour, I would support that as well.

Allison Mikuni  
Honolulu, Hawaii  
808-497-9815



## **taniguchi4 - Joel**

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**From:** Mike Mita <mmita@tamuras-hi.com>  
**Sent:** Wednesday, March 11, 2020 1:39 PM  
**To:** LCATestimony  
**Subject:** HB2541 Comments Testimony

Dear Chair Taniguchi,

I am very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. I feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

I support the intent of this measure to help working families, I believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. I support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

I understand that the government is also under pressure to address the minimum wage and I appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity (RPP) in the US . Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8% higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."

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 hour (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

Sincerely,

Mike Mita  
440 Kilani Ave  
Wahiawa, HI 96786  
mmita@tamuras-hi.com

## **taniguchi4 - Joel**

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**From:** shelly miyamoto <gammiekerms@hotmail.com>  
**Sent:** Wednesday, March 11, 2020 12:40 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha,

I am a young working class kamaaina, who wants to continue to live and work in Hawaii. Many of my Roosevelt High School classmates have been relocating because \$13/hour is not enough to get a small apartment to rent and pay for medical bills, groceries, etc. From my personal experience I rented a \$1,000/month studio in Makiki, and have seen my monthly bus pass raise steadily from \$40 to \$70 a month. It has been hard. Wages have not been keeping up with housing and transportation costs, and it would help the working poor to have basic essentials and not be one paycheck away from being homeless.

I am a strong supporter of raising the minimum wage. I strongly believe people who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

Thank you,  
Shelley Miyamoto

## **taniguchi4 - Joel**

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**From:** Michael Nobriga <Michael.Nobriga@mauisoda.com>  
**Sent:** Wednesday, March 11, 2020 1:24 PM  
**To:** LCATestimony  
**Subject:** HB2541 Comments Testimony

Dear Chair Taniguchi,

I am very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. I feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

I support the intent of this measure to help working families, I believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. I support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

I understand that the government is also under pressure to address the minimum wage and I appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity (RPP) in the US . Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8% higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."

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 hour (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

Sincerely,

Michael Nobriga  
1120 Eha St Apt 29-104  
Wailuku, HI 96793  
Michael.Nobriga@mauisoda.com

## **taniguchi4 - Joel**

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**From:** Leslie Nugent <Irae.nugent@gmail.com>  
**Sent:** Wednesday, March 11, 2020 12:03 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha

Please consider amending HB2541 HD1, \$13 is not enough and Hawaii's working men and women deserve a living wage of at least \$17 by 2025.

I stand with Hawaii's workers and believe full-time workers deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care.

Thank you for your consideration,

Leslie Nugent  
54-2427 Kapaau, HI 96755

## **taniguchi4 - Joel**

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**From:** Brook Parlow <boogieparlow@gmail.com>  
**Sent:** Wednesday, March 11, 2020 1:01 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Thank you for your time. Please support Hawaii's working class. It's hard to get by here and at \$13/hr it's near impossible. Please support an increase.

Mahalo

Brook Parlow

## **taniguchi4 - Joel**

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**From:** Colleen Rost-Banik <crostbanik@gmail.com>  
**Sent:** Wednesday, March 11, 2020 12:39 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear Legislators,

Thank you for addressing the wages of working families during this legislative season via HB2541. I appreciate the attention to increasing minimum wages. While I support increased wages, I urge you to amend HB2541 to ensure that minimum wages reach \$17/hour by 2025. Currently, as the bill reads, \$13 is simply not enough to live. Not only is it not enough for people in Hawaii to make ends meet, but most minimum wage jobs do not offer benefits. Please consider increasing wages to \$17/hour for our most vulnerable, and quite essential, workers.

Respectfully,  
Colleen Rost-Banik  
Honolulu resident



## **taniguchi4 - Joel**

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**From:** Jeanne Sperry <jeannebhs@gmail.com>  
**Sent:** Wednesday, March 11, 2020 11:12 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Please up the minimum wage to at least \$17 per hour. I know you nor I could live on the current substandard minimum wage and we shouldn't expect others that work to live on it. Not raising wages may encourage people to go on welfare instead of working as it probably pays better.

Mahalo for your heartfelt reality vote in favor of these bills.

## **taniguchi4 - Joel**

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**From:** Diliaur Tellei <diliaur@gmail.com>  
**Sent:** Wednesday, March 11, 2020 12:55 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear Chair Taniguchi and members of the committee:

First off, thank you for the work you've done in the past to support minimum wage increases and other policies designed to help working people.

I write as a Honolulu resident who has had the long-term experience of living in precarity due to low wages. I am lucky to have the support of family in times that hit extra hard, but nonetheless the debts have piled up. At the moment I am gainfully employed on a 6 month contract and this is a blessing. Still, I write as a working person concerned for other working people in our state.

My key point is this: \$13/hour by 2025 is just. not. enough. I can't over-stress this. I know this is something you have debated endlessly and that there are many voices providing their own perspectives, particularly in terms of cost of living. Please allow me to add one more:

Now that I make well above the minimum wage (for now), I have noticed that not only am I able to take care of my bills and start to pay off my debts, but **I am also contributing more to the local economy now that I am not obsessing over every dollar left in my bank account.** First of all, this freedom from worry is something I wish for all human beings in our state. Second, think of the economic stimulus that would occur if people actually had the money to spend at local businesses.

So one, there is the humanitarian aspect, and two, there is this economic stimulation aspect. Both good reasons (and evidence-based reasons: <https://www.civilbeat.org/2020/03/minimum-wage-hikes-have-had-little-long-lasting-effect-on-business/>), in my view, to bump the minimum wage to \$17 by 2025. So please, consider doing so.

Thank you for taking the time to listen to Hawaii's workers.

Sincerely,  
Diliaur Tellei

## **taniguchi3 - Jarret**

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**From:** Wynn Miyamoto <wynn.miyamoto@gmail.com>  
**Sent:** Wednesday, March 11, 2020 1:59 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Although efforts to increase the minimum wage have been good, I believe they fall short. \$13 an hour is well above federal levels but is not a living wage in Hawaii. Less than \$30,000 a year (before taxes) is not sufficient with the cost of living in Hawaii. The economy is supposedly doing well but wages have not kept up with inflation. Please increase the minimum wage to \$17.

## **taniguchi3 - Jarret**

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**From:** Teresa Gardner <teresa\_gardner@me.com>  
**Sent:** Wednesday, March 11, 2020 2:18 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough

**please increase the minimum wage to \$17 by 2025.**

How can you represent the people  
Of this state and do otherwise?

Love, Teresa 🦋

## **taniguchi3 - Jarret**

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**From:** Sherri Thal <sherrithal@gmail.com>  
**Sent:** Wednesday, March 11, 2020 3:15 PM  
**To:** LCATestimony  
**Subject:** Minimum Wage needs to be 17.00/hour by 2024!

Aloha LCA Committee,

Please stand with your people, your constituents, your Kama'aina, and raise the minimum wage not only to \$13.00/hour, but to \$17.00/hour. This is barely a living wage, but the increase is the only way forward for our islanders to have food, shelter and clothing.

Thank you for your consideration.

Aloha,

Sherri Thal, Keaau, HI

## taniguchi3 - Jarret

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**From:** Nancy Merrill <merrilln001@hawaii.rr.com>  
**Sent:** Wednesday, March 11, 2020 2:08 PM  
**To:** LCATestimony  
**Subject:** \$13 in 2024 is woefully inadequate, and HB2541 HD1 should be amended to at least \$17 by 2025.

Extreme unfairness has resulted from everyone believing that giving all wage earners the same annual percent increase as the percent rise in the cost of living is equitable. Please consider the following numbers which I believe will prove this basic fact. Worse, the minimum wage has not been given this same annual increase but stays stable until someone decides to submit legislation to increase it.

I am going to use three different salary levels to prove my point. The current minimum wage is \$10.10/hour or \$21,008/year. The median salary of Hawaii's teachers is \$57,431/year or \$21.61/hour. I'm guessing here but I would think a modest salary for someone in the executive class would be \$100,000/year or \$48.08/hour. And, of course, people who have made it big make much more. However, these are the three salary levels I want to use to make my point.

The cost of living increases every year and we are given the percentage not the dollar amount. So for the purposes of this argument I'm going to say the cost of living has increased by \$100.00/month which is \$1,200.00/year and is an increase of 3%.

Let's see what this means to each salary level if we give each the same 3% increase per year in salary

1. minimum wage earners get an increase of \$630.20/year
2. teachers get an increase of \$1,722.93/year
3. high wage earners get an increase of \$3,000.00/year

What does this mean? It means low wage earners are short \$569.80 in keeping up with that year's increase in cost of living. Teachers receive \$52.20 more than the increase in cost of living and high earners get \$1,800.00 more than they need.

**The ONLY way to be fair in calculating annual cost of living increases is to give every wage earner the SAME increase in wages which in this example would be \$1,200.00/year.**

This math is not complicated and should be obvious to everyone. High wage earners are pulling out more than their fair share of the payroll dollars every year and this overpayment is coming out of what low earners need to earn to keep up with the cost of living. And don't tell me high earners have a higher cost of living to support so it's fair. Most high earners own houses and have fixed housing costs. Low earners rent or live on the street. High earners can live nearer to their workplace and spend less on gas. High wage earners have good health plans and have little cost for good medical care. etc., etc.

If you carry these inequities over decades you can see how this has driven at least some of the income inequality that is taking such a toll on low wage workers. For all the executives who worry about how paying more to their workers will affect their profits need to consider how they have stolen from the low wage earners every year for decades and to think seriously about how not having poor people in our world would actually be a good thing for everyone.

It's embarrassing to think raising the minimum wage to \$13.00/hour by 2024 is sufficient. Even \$17.00/hour by 2025 seems low, but it's better. Please consider what earning \$13.00/hour which is \$27,040/year would be like for you.

Respectfully submitted,

Nancy Merrill  
826-7748

**taniguchi3 - Jarret**

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**From:** JoAnn Farnsworth <jyfarnsworth@gmail.com>  
**Sent:** Wednesday, March 11, 2020 2:18 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025



**taniguchi3 - Jarret**

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**From:** Brenda Jarmakani <bjarmak@hotmail.com>  
**Sent:** Wednesday, March 11, 2020 2:59 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Please consider raising the minimum wage in line with a living wage. Workers can not continue to receive low wages and working 2 jobs is not acceptable. Long term this is not sustainable for a health society.

Brenda Jarmakani  
Lahaina Maui

**taniguchi3 - Jarret**

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**From:** Charlton Wallace <kanawallace57@gmail.com>  
**Sent:** Wednesday, March 11, 2020 2:16 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha Senators,

Last year the committee supported a \$15 increase however the House of Representatives pulled the plug and refused to agree. I want to thank you and the committee for your past support, while asking that you amend HB2541 HD1 and put Hawaii on the path to \$17 and a true living wage.

Mahalo,

Faye L. Wallace

## **taniguchi3 - Jarret**

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**From:** Eve <eve3ibiz@gmail.com>  
**Sent:** Wednesday, March 11, 2020 2:18 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha,

Anyone who has tried to live in Hawai'i on the minimum wage, will tell you that it is not possible to do unless you live in a large household where several adults contribute to the shared monthly rent, food, insurance, etc. \$13 minimum does not solve that problem for couples or singles, most of whom work more than 40 hours weekly to make ends meet. Life shouldn't be a struggle for average working people.

Please start caring about how to keep the wheels of Hawai'i's economy moving efficiently instead of losing good workers who move off island because they cannot afford to live here anymore, by raising minimum wage to \$17, as soon as possible.

MAHALO!  
Sincerely,  
Eve Hands

## **taniguchi4 - Joel**

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**From:** Sandra Herndon <2da1wahine@gmail.com>  
**Sent:** Wednesday, March 11, 2020 3:42 PM  
**To:** LCATestimony  
**Subject:** Testimony opposed to HB2541 HD1

Aloha Senators of the Committee on Labor, Culture and the Arts,

*First, may I say that I'm opposed to the bill, as it stands.* In principle, people who live and work in Hawaii, should receive a "living" wage. The idea of a minimum wage set at \$13 per hour in this day and age, is not only inadequate, it's reprehensible; to think that it won't even be instituted until 2024 is shameful.

While you "public servants" have been granted pay raises, costing the State of Hawaii nearly a half million dollars per year, until 2024, the REAL servants of Hawaii- those who provide for the sustenance and comfort of our Visitor Industry- are required to have two or three jobs at the current wages, just to feed and house their `ohana. \$10.00 an hour is ridiculous- I pay a teenager that much to help me walk my dog!!

Please amend this bill to \$17.per hour by 2025. That still is inadequate but it is a step forward for those who need it most.

Secondly I am fascinated by the irony that your committee is charged with bills relating to Labor, Culture and Arts. The Culture of Hawaii, is the Hawaiian people, the Kanaka Maoli, They are the ones who are most struggling to make a "living wage". It's hard to imagine that they find much room in a budget based on \$10.00/hr to teach their children any kind of Arts program, like hula lessons, etc.

Mahalo for hearing my concerns.

--

Peace & Aloha,  
Sandra Herndon  
Kapaa, HI

"Thought is Creative, and YOU are the Thinker"

**HB-2541-HD-1**

Submitted on: 3/11/2020 4:31:59 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Makela Aluesi	Individual	Comments	No

Comments:

I support this bill given that some changes are made. While I feel it is important to increase the minimum wage as it is impossible to live in Hawaii on the current minimum wage, the proposed amount is insufficient. Increasing the amount to \$13 right now would still leave families scraping by and struggling and would continue to force our children to work to help support their families. We need to either have it increase to \$15 in 3 years or \$17 in four years. By not increasing the minimum wage we force more and more families to either go on welfare or move. Not increasing the minimum wage or increasing it too late will also further trap families and children in cycles of poverty as they are forced to work and not focus on school or work to provide without the opportunity to go to school without leaving their families without a way to make ends meet.



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

Re: **HB 2541 HD1- Relating to Helping Working Families**  
Hawai'i State Capitol, Room 224  
3:15PM, 3/12/2020

Chair Taniguchi, Vice Chair Ihara, and committee members,

**On behalf of Hawai'i Children's Action Network Speaks!, we are writing to support in support HB 2541 with suggested amendments.**

Almost half of Hawai'i's households cannot afford their basic needs<sup>1</sup>. Less than 1 in 3 people in Hawai'i are financially healthy.<sup>2</sup> Hawai'i has the highest cost of living.<sup>3</sup> It is with these facts in mind, that the need for HB 2541 was borne and we appreciate the legislature's focus on working families this year and their needs. However, the need is dire and therefore requires bold policies. We strongly support making the earned income tax credit refundable and offer suggested amendments to 1) make the minimum wage \$17 by 2025 and 2) include the contents of SB 2491 to create a state-administered paid family leave program 3) create a paid sick leave program.

#### Paid Family Leave and Paid Sick Days

Raising the minimum wage and providing additional tax credits are very much needed to keep families afloat. Additionally, families need, but do not have, support during major life-changing events, like having a baby or a parent nearing their end of life, or a child is quarantined because of COVID-19. Hawai'i's workers and businesses need paid family leave. A PFL program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive. Recent research about families in Hawai'i and their financial health shows that at best, roughly 1/3 of our workforce has access to paid parental leave<sup>4</sup>, and you're more likely to find it for those working in government and military, which is not our largest workforce. The Family and Medical Leave Act (FMLA) and Hawai'i Family Leave Law (HFLL) leave out a significant portion of Hawai'i's workforce, and neither law offers paid time off from work. This means that even those who technically qualify for unpaid family leave under state or federal law may not be able to afford to take adequate time off to meet their family's needs. Additionally, there is no provision for paid sick days. Nationally, 93 percent of the highest-wage workers have access to paid sick days, only 30 percent of the lowest wage workers do. With the recent coronavirus, the need for paid sick days has become abundantly clear. We cannot ask our workforce to stay home to protect the health of the community but not protect them. Paid sick leave is a necessary part of preventing a spread of the pandemic.

<sup>1</sup> ALICE: A Study of Financial Hardship in Hawai'i, Aloha United Way, 2017

<sup>2</sup> Hawai'i Financial Health Pulse: 2019 Survey Results, 2020

<sup>3</sup> No surprises here: Hawai'i named priciest state in the nation, Hawai'i News Now, 2018,

<https://www.Hawai'inewsnow.com/story/38636335/no-surprises-here-Hawai-i-named-priciest-state-in-the-nation/>

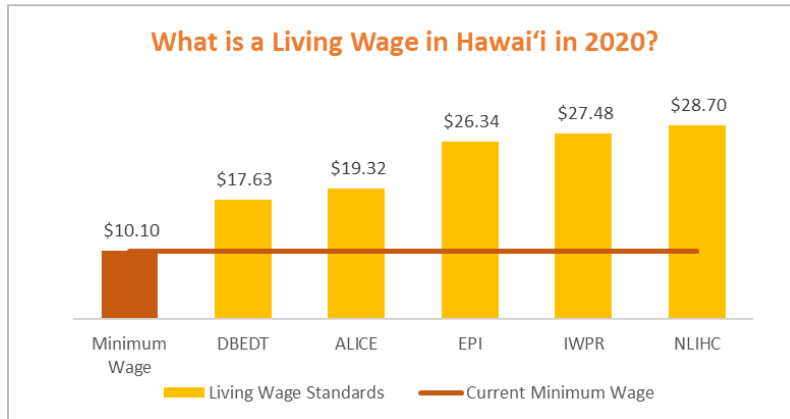
<sup>4</sup> Hawai'i Financial Health Pulse: 2019 Survey Results



To ensure families can make ends meet, stay in the state, and stay in the workforce, we need to implement a state-administered paid family leave program and paid sick days.

### Minimum Wage

The abundance of recent research shows that there is a gap in what workers need to survive in Hawai'i and what they earn. As the table below shows, our own state research points to a \$17/hour minimum wage.



A \$13/hour minimum wage in four years may slightly close the gap between what workers need and what they earn, but the gap will persist. The additional money from tax credits is helpful but it will not get to all minimum wage workers. Tax credits also do not assist in retirement savings, like social security, which is based off of earnings.

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. Our workers need a \$17/hour minimum wage by 2025 so we can keep all of our families moving forward.

### Refundable Earned Income Tax Credit

An earned income tax credit (EITC) is seen to many as the working families tax credit, that helps families stave off hardships and provides a reset button for their finances come tax time. The federal credit is overwhelmingly successful at lifting people out of poverty<sup>5</sup> and in particular, helping to reduce the number of children living in poverty. It is credit with better health and educational outcomes for children, higher earnings as adults for those children, and incentivizing work among adults.<sup>6</sup> However, to see the full benefit of the EITC it must be made refundable. Being refundable is the reason that the EITC is so effective at boosting income and reducing hardship, because it lets families keep more of what they earn and helps them keep working despite low wages.<sup>7</sup> Twenty-nine states, D.C, and Puerto Rico have all enacted a state EITC and only 6 of those have the credit as non-refundable.

<sup>5</sup> *Policy Basics: The Earned Income Tax Credit*, Center on Budget and Policy Priorities, 2018, <https://www.cbpp.org/research/federal-tax/policy-basics-the-earned-income-tax-credit>

<sup>6</sup> Ibid.

<sup>7</sup> *States Can Adopt or Expand Earned Income Tax Credits to Build a Stronger Future Economy*, Center on Budget and Policy Priorities, 2019, <https://www.cbpp.org/research/state-budget-and-tax/states-can-adopt-or-expand-earned-income-tax-credits-to-build-a>



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

The Refundable Food/Excise Tax Credit

We support the increase in the refundable food/excise tax credit. We do caution against creating a cliff-effect and support Hawaii Appleseed's proposed amendments in this area.

This bill is a good start to try to assist the working families in our state. If the proposed amendments were implemented, we could truly celebrate it as a bill to support working families. Thank you for the opportunity to testify and for your dedication to working families.

Thank you,

Kathleen Algire  
Director, Public Policy and Research



**HB-2541-HD-1**

Submitted on: 3/11/2020 5:29:05 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
William Bekemeier	Testifying for Faith Action for Community Equity	Comments	No

Comments:

**Aloha, My name is William Bekemeier and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**

**HB-2541-HD-1**

Submitted on: 3/11/2020 5:56:45 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jalem Correia	Testifying for Faith Action for Community Equity	Support	No

Comments:



Testimony of Kimo Haynes,  
President of the Hawaii Petroleum Marketers Association

**SUPPORTING THE INTENT OF HOUSE BILL 2541, HOUSE DRAFT 1,  
RELATING TO HELPING WORKING FAMILIES**

Senate Committee on Labor, Culture & The Arts  
The Honorable Brian Taniguchi, Chair  
The Honorable Les Ihara, Jr., Vice Chair

Thursday, March 12, 2020 at 3:15 p.m.  
Hawaii State Capitol, Conference Room 224

Chair Taniguchi, Vice Chair Ihara, Jr., and members of the Committee,

I am Kimo Haynes, president of the Hawaii Petroleum Marketers Association (“HPMA”). HPMA is a non-profit trade association comprised of members who directly market liquid motor fuel products across the Hawaiian Islands. Our membership includes individuals and companies who operate as independent marketers, jobbers or distributors of petroleum products and who buy liquid motor fuel products at the wholesale level and sell or distribute products to retail customers, other wholesalers, and other bulk consumers.

House Bill 2541, House Draft 1, Relating to Helping Working Families makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

**HPMA supports the intent of HB 2541, HD 1 to provide tax relief to Hawaii’s working families and stepped increases in the state’s minimum wage up to \$13 per hour in 2024.**

Thank you for allowing HPMA the opportunity to submit written testimony on this bill.



# IATSE Mixed Local 665

## HAWAII'S TECHNICIANS

for  
**FILM, TELEVISION, STAGE AND PROJECTION**  
Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS  
OF THE UNITED STATES, ITS TERRITORIES AND CANADA AFL-CIO, CLC

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Date: March 11, 2020

To: The Honorable Senator Brian Taniguchi, Chair, LCA  
The Honorable Senator Les Ihara, Vice Chair, LCA  
Members of the House Committees on Labor, Culture and the Arts

Re: HB 2541 HD1: RELATING TO HELPING WORKING FAMILIES

HEARING DATE/TIME: THURSDAY, MARCH 12, 2020, AT 3:15 PM  
CONFERENCE ROOM: Room: 224, Hawai'i State Capitol

Aloha, Chair Taniguchi, Vice Chair Ihara, and Members of the Committees:

Mahalo for hearing this bill. We **SUPPORT** the intent of H.B. 2541, H.D.1, and respectfully request an amendment to increase the minimum wage to \$17.00 an hour by the year 2025 and the inclusion of paid sick leave.

Increasing the minimum wage to \$13.00 by 2024 is not enough to support working families in Hawai'i. Information from the Hawaii Department of Business, Economic Development and Tourism (DBEDT) states that workers need to earn over \$17.00 an hour TODAY to provide for their most basic needs. Although \$17.00 by 2025 is still not enough, it is a significant step in having a good quality of life versus significant economic hardship.

Workers and their families they support are struggling across Hawai'i. Many workers are one paycheck away from homelessness and often times have to decide between food or medicine. This is a shameful decision for anyone to have to make. We can do better than that.

The additional dollars given to working families are immediately spent on basic needs thus stimulating the local economy. It is a proven economic fact that working-class families do not hoard their monies but spend it on increasingly more luxurious goods as their pay increases.

Lastly, with the current Covid-19 (Corona Virus) world-wide pandemic, the HLC feels it is vitally important that all workers in the state of Hawaii have access to paid sick days to ensure the safety and well-being of all residents and visitors in Hawaii.

As of today, there have been two reported presumptive cases of Covid-19 in Hawaii by State Department of Health. Further, the State of Hawaii, and all counties including the City and County of Honolulu, have declared emergencies due to Covid-19. These emergency governmental declarations come in the wake of the United States enactment of a Public Health Emergency for

# IATSE Mixed Local 665

## HAWAII'S TECHNICIANS

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Covid-19 on January 31st, 2020 which followed after the World Health Organization declaration of an international public health emergency on January 30th, 2020.

A significant majority of workers in the service sector industry and those that greet our visitors and families that are returning to Hawaii, especially those who handle and prepare our food or engage with consumers, disproportionately do not have access to paid sick days. A small number of paid sick days will boost employee morale, help with employee retention, and most importantly ensure workers can properly seek medical care and recover before attending work. Paid sick days will help mitigate the public health concerns that stem from the spread of viruses, including Covid-19, that our globally connected society is facing today and will undoubtedly face in the future.

Again, we ask that you support an amendment to H.B. 2541, H.D.1 to \$17 an hour and enact paid sick days to help uplift thousands of workers struggling to make ends meet in Hawaii.

Respectfully,

Irish Barber  
Business Representative



## HIPHI Board

Michael  
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Rachel Novotny,  
PhD, RDN, LD  
University of Hawaii at Manoa,  
College of Tropical Agriculture  
and Human Resources

Garret Sugai  
Kaiser Permanente

Catherine Taschner, JD  
McCorriston Miller Mukai  
MacKinnon LLP

Date: March 10, 2020

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

Re: Comments HB 2541, HD1, Relating to Helping Working  
Families

Hrg: March 12, 2020 at 3:15 PM at Conference Room 224

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The Hawai'i Public Health Institute<sup>i</sup> provides comments **on HB 2541, HD1 and offers an amendment.** HB 2541, HD1 increases the minimum wage to \$13 per hour by 2024, makes the earned income tax credit refundable and permanent, and amends the food/excise tax credit.

Increasing the minimum wage can affect health by improving income and food security, decreasing stress, improving nutrition, and more. Communities of residents with higher incomes are likely to have better recreational amenities, housing, food access, and schools, and tend to be safer – all of which impact health. Income is also associated with other factors that create the opportunity to be healthy, such as employment opportunities, reduced environmental contamination, and greater transportation options.

Health improves with increasing income, and the impacts of a rise in income are greatest for those at the lowest end of the wage scale. Research shows that those who move out of the lowest income level to the next receive the greatest percentage increase in life expectancy and health status. This means that a family living on minimum wage realizes greater health benefits from an increase in salary than a middle-class family receiving the same raise.

Minimum wage workers are critical to our economy but are falling further and further behind in their ability to make ends meet. Hawai'i workers need a raise to build economic opportunity and a better future for our families.

Because the minimum wage should be a living wage, we request that the bill be amended to raise the minimum wage to \$17 by 2025. The

Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn \$17.63 an hour to "meet their basic needs" in 2020<sup>ii</sup>.

In addition to increasing the minimum wage, the earned income tax credit also helps working families keep more of their income. Making the tax credit refundable and permanent will further help these families in making ends meet.

Thank you for the opportunity to provide testimony.

Mahalo,

A handwritten signature in black ink that reads "Jessica Yamauchi". The signature is fluid and cursive, with the first name "Jessica" and last name "Yamauchi" clearly legible.

Jessica Yamauchi, MA  
Executive Director

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<sup>i</sup> Created by the legislature in 2012, the Obesity Prevention Task Force is comprised of over 60 statewide organizations, and works to make recommendations to reshape Hawai'i's school, work, community, and health care environments, making healthier lifestyles obtainable for all Hawai'i residents. The Hawai'i Public Health Institute (HIPHI) convenes the Task Force and supports and promotes policy efforts to create a healthy Hawai'i.

Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

<sup>ii</sup> Department of Business, Economic Development and Tourism. SELF-SUFFICIENCY INCOME STANDARD Estimates for Hawaii 2016. December 2017.



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

Corey Rosenlee  
President  
Osa Tui Jr.  
Vice President  
Logan Okita  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON  
LABOR, CULTURE & THE ARTS

RE: HB 2541, HD1 - RELATING TO HELPING WORKING FAMILIES

THURSDAY, MARCH 12, 2020

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Taniguchi and Members of the Committee:

The Hawaii State Teachers Association **is submitting comments on HB 2541, HD1, with the suggested amendments**, relating helping working families.

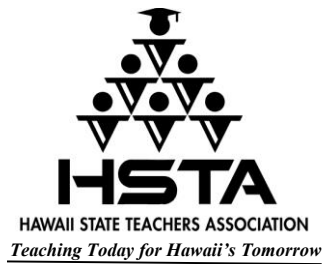
**We support raising minimum wage; however, we believe it should be raised higher to \$17 an hour by 2025.** Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment. **We support the first part of this bill that would make the earned income tax credit refundable and permanent.**

This bill **currently will only increase the minimum wage to \$13 by 2024.** According to DBEDT, Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to "meet their basic needs" in 2020. HSTA urges the legislature **to amend the language to raise the minimum wage to \$17 by 2025, 6 steps to reach \$17 by 2025, as we suggested last year.**

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 would have Hawaii join them.

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.





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Corey Rosenlee  
President

Osa Tui Jr.  
Vice President

Logan Okita  
Secretary-Treasurer

Wilbert Holck  
Executive Director

To provide a living wage to all workers in Hawaii, the Hawaii State Teachers Association asks your committee to **consider our comments and amend this bill.**

**HB-2541-HD-1**

Submitted on: 3/11/2020 5:57:12 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carla Allison	Individual	Support	No

Comments:

**My name is Carla Allison and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. With a raise, low-wage workers will plow every extra dollar right back into our economy, supporting our local businesses, and keeping profits here, in our state, rather than going to out-of-state corporate headquarters. It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025. Thank you for this opportunity to testify.**

**HB-2541-HD-1**

Submitted on: 3/11/2020 7:15:18 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kathy Jaycox	Individual	Comments	No

Comments:

Aloha and thank you for this opportunity to comment on HB2541, HD1.

**My name is Kathy Jaycox and I am writing as a member of Faith Action for Community Equity. Please amend this bill to increase the minimum wage to \$17 an hour by 2025. With two-thirds of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living.**

**It is time for Hawai'i to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.**

**Thank you for this opportunity to testify.**



TESTIMONY OF TINA YAMAKI  
PRESIDENT  
RETAIL MERCHANTS OF HAWAII  
March 12, 2020

Re: HB 2541 HD1 Relating to Helping Working Families

Good afternoon Chairperson Taniguchi and members of the Senate Committee on Labor Culture and 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.

While the Retail Merchants of Hawaii truly appreciates the work and the intent of HB 2541 Relating to Helping Working Families; we must respectfully oppose this measure as written as we have some major concerns. This measure makes the state earned income tax credit refundable and permanent; increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income; and increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Over the past few years, the retail industry has seen long time standing stores closing - from local mom and pops shops to national chain stores. More recently to keep their doors open, retailers have begun to adjust by restructuring their business model and budgets to accommodate the rising cost of healthcare and mandated expenses and now the negative economic impact the coronavirus is having. What does a raise in minimum wage mean?

- Many local **small businesses won't be able to afford** the 90 cents per hour wage increase this bill calls for next year in 2021.
- **Minimum wage increase causes a compression of wages** between newly hired/inexperienced workers and the veteran/experienced employees.
  - Newly hired unskilled employees should not be making more than the seasoned employees who are already trained.
- **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 in Hawaii but not on the mainland.
- **Starting to see employee layoffs** to stay solvent and keep their doors open, especially now with the effects of the Coronavirus - people are not coming out to shop in the stores.

- Currently with the low unemployment, the market can absorb these workers. However, we will soon see a tipping point when the market is over saturated, and unemployment will begin to climb.
- Potential to cut employee hours
- With fewer employees, **customer service will be negatively impacted** with longer lines and less employees to assist the customers and longer checkout lines.
- **Businesses are looking into implementing artificial intelligence and more self-checkout lines** as ways to cut costs to cover government mandates.
- **Price of goods will increase to cover the increased cost of payroll, thus driving up the cost of living in Hawaii.** Our retailers no longer have competitive pricing and customers go elsewhere or purchase online and not in the stores.

We ask that you consider reducing the increase and stretching the time frame. It would allow smaller businesses to adjust and not be so negatively impacted. In addition to including language that address commissions and tip credit.

Mahalo again for this opportunity to testify.

**HB-2541-HD-1**

Submitted on: 3/11/2020 8:51:39 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lawrence S Franco	Individual	Oppose	No

Comments:

Everyone in Hawaii knows that our wages are too low to pay for the living expenses in Hawaii. We should start with \$15 per hour and work to \$17.00 per hour, and not \$13.00 per hour. Voting for \$13.00 per hour is an insult to the residents of Hawaii and to their struggles to continue to live in one of the highest cost of living states in the nation.

Do we have aloha for each other? Are we one ohana? I do not think so in the way we treat our local workers.

**HB-2541-HD-1**

Submitted on: 3/11/2020 10:01:41 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Linda Rich	Individual	Oppose	No

Comments:

**Aloha, Chairperson Taniguchi, Co-Chair Les Ihara, and Committee members ,**

**My name is Linda Rich. I am a retired social worker and a member of Faith Action for Community Equity. I urge you to amend this bill to increase the minimum wage to \$17 an hour by 2025. Thirteen dollars an hour is not a living wage. \$13 an hour is not enough to afford housing and food. Too many Hawaii families live in poverty, even when working more than one job.**

**I have spent a forty plus year career dealing with the negative effects of poverty on the families of Hawaii. The cost is too high in human suffering. People deserve enough to live on while they do the work we all depend on. Please amend this bill to \$17 per hour by 2025.**

**It is time for Hawai'i to follow in the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. Other cities and states have found that there was no negative impact from raising the minimum wage. In fact, in many places there have been positive results. With a raise, low-wage workers plow dollars right back into our economy, supporting our local businesses. IT can be a win-win despite the fears of employers.**

**Thank you for this opportunity to testify.**

**HB-2541-HD-1**

Submitted on: 3/11/2020 11:33:51 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robert H Stiver	Individual	Comments	No

Comments:

This is the third testimony I have submitted for this bill. I will limit my text today to one recommendation: Please read aloud at the hearing the Star-Advertiser "Island Voices" commentary submitted by Professor/Dr. Kathryn Brown: "Raising isle minimum wage will improve health of residents." It is an excellent, compelling statement. I support Dr. Brown's positions without reservation.



**HB-2541-HD-1**

Submitted on: 3/12/2020 12:39:18 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Brodie Lockard	Individual	Support	Yes

Comments:

Someone asked me recently whether the effort to raise the minimum wage would affect me adversely. I'm a quadriplegic needing 24-hour assistance.

Yes. I pay entirely out-of-pocket, and a higher minimum wage would make it harder for me to compete for good attendants. I pay \$15 an hour and I think that brings more and better applicants than \$10.10 would. I expect what I pay will have to keep rising. Nonetheless, I'd like people to be less strapped all the time, as mine are.

Three of my staff made a trip to my house Tuesday *just to get their checks*. I don't think they have any savings at all, which would scare me senseless. I'd be a nervous wreck every day. And these people are not right out of high school. They're 30, 40, 50 years old, most have two or three jobs, and they need better pay.

I support at least \$15 per hour, and annual cost of living increases, on a schedule that gets us there by 2022.

**taniguchi3 - Jarret**

---

**From:** Ed Dedeo <ededeo@pixi.com>  
**Sent:** Thursday, March 12, 2020 8:41 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 should be amended to at least \$17 by 2025.

**HB2541 HD1 should be amended to at least \$17 by 2025.**

**As it stands now \$13 and hours is not anywhere near a true living wage which is what the 2020 legislature should be addressing.**

**Thank You,  
Edward Dedeo, Lawai, Kauai, 96765**

Sent from my iPad

**taniguchi3 - Jarret**

---

**From:** Leyland Swenson <kauaibreed@hotmail.com>  
**Sent:** Thursday, March 12, 2020 8:42 AM  
**To:** LCATestimony  
**Subject:** Minimum wage

Please raise the minimum wage to \$17.

Sent from my Samsung Galaxy smartphone.

**HB-2541-HD-1**

Submitted on: 3/12/2020 7:50:58 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
MARK K YEN	Individual	Comments	No

Comments:

Aloha, I'll be turning 65 years old this year, presently earn 3 times the present minimum wage, and yet still live "check-to-check." My wife and I are involved in helping lower income families making minimum wage and see them struggle with making ends meet. Increasing to \$13/hour is certainly a step, but it is far too low to make a significant impact. The suggested increase to \$17-\$18 would provide an impact to becoming less reliant on aid, a possible cost savings from public funds, and most importantly, provide for their families.

Thank you for taking my comments.

## **taniguchi4 - Joel**

---

**From:** Rose Roach <roseellaest@gmail.com>  
**Sent:** Wednesday, March 11, 2020 5:15 PM  
**To:** LCATestimony  
**Subject:** RE:HB2541 HDI

\$13/ hr is not enough for minimum wage. Please increase it to \$17/hr. We have been begging for \$15/ hr for several years. And still you only offer \$13. Living costs keep going up!  
Help the poor people who struggle so hard.

RoseElla Roach  
Kauai

Sent from my iPhone

## **taniguchi4 - Joel**

---

**From:** David M. Roach <droach@calpoly.edu>  
**Sent:** Wednesday, March 11, 2020 5:29 PM  
**To:** LCATestimony  
**Subject:** RE HB2541, please increase the minimum wage by \$17

Thank you,  
Dave Roach, Kapaa

## taniguchi4 - Joel

---

**From:** Kathy Shimata <katshimata@gmail.com>  
**Sent:** Wednesday, March 11, 2020 4:19 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

Aloha Legislators,

I am writing to support increasing the minimum wage. I know that times are tough for businesses, now more than a month ago. However, a worker being paid the current minimum wage cannot support himself, let alone a family. The proposed increase to \$13/hr is not enough. \$15/hr is more realistic. The timing of these increases is, of course, at your discretion. We are all concerned that our citizens are leaving the state to find a place where they can afford to buy a home. Increasing the minimum wage to a living wage is a start.

Respectfully,

Kathy Shimata  
3453 Pawaina St  
Honolulu 96822

## **taniguchi4 - Joel**

---

**From:** Orin Ogilvie <ohogilvie@gmail.com>  
**Sent:** Wednesday, March 11, 2020 6:19 PM  
**To:** LCATestimony

\$13.00/hr?!!

We pay our pet sitter \$20.00 per hour.  
Nobody can have any real quality of life on 13.00 per hour.  
Get real...or get out.

Orin H. Ogilvie  
Anahola



## taniguchi4 - Joel

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**From:** jbklyman@yahoo.com  
**Sent:** Wednesday, March 11, 2020 6:47 PM  
**To:** LCATestimony  
**Subject:** amend HB2541 to support a living wage

Dear Representatives of Hawaii,

Please amend HB2541 to support a living wage, and NOT keep it at the ridiculous proposed rate of \$13 a few years down the road. \$13 / hour is just over \$27,000 gross per year or \$2,200 per month. If rent is \$1000, medical \$500, that leaves you with \$700 to live on. That is food, electric, insurance, cloths, transportation and Taxes. Not much to live with, so why is \$17/hour (\$35,300/year) such a problem wage base to pass? I have been blessed to have been able to paid off our house, have a senior homestead exemption, with my wife and I, living on \$2,200 gross from my IRA income and can barely make our medial payments, food, and some entertainment. I don't have kids to worry about or put through school so I have no idea how anyone with even 1 child can live on \$13/hour.

If you can not get this bill amended and passed THIS session, I hope you would at least be willing to donate the balance of your income and see if you can live on \$2,200 gross per month.

Jim Klyman  
Keaau, HI 96749

## **taniguchi4 - Joel**

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**From:** Jan Brookshier <jbrookshier42@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:25 PM  
**To:** LCATestimony  
**Subject:** Minimum wage for Hawaii

The proposal to increase the HI minimum wage to \$13 is so inadequate that it would be laughable, but this is NO laughing matter.

We continually see our gifted, hardworking citizens forsaking this, their island home, because they simply CANNOT afford to live here even in modest circumstances. For sake of our fellow islanders, I urge you to insist that HB2541 be amended to AT LEAST \$17 by 2015. While this is still woefully short of a decent living wage, it is at least a start in the right direction.

Respectfully submitted,  
Jan Brookshier  
Hanapepe, Hawaii

## taniguchi4 - Joel

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**From:** Ananda Fischer <amazonpowerplus@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:40 PM  
**To:** LCATestimony  
**Subject:** Minimum wage

Aloha,

\$13 an hour isn't a working wage. People will still need supplemental support from the government. Raise the minimum wage to a liveable wage!

Namaste,  
Ananda

Lokah Samasta Sukhino Bhavantu  
May All Beings Be Happy and Free

## taniguchi4 - Joel

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**From:** Ananda Fischer <amazonpowerplus@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:41 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Namaste,

Donna Fischer

## **taniguchi4 - Joel**

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**From:** Kenneth Choi <ksfcho@gmail.com>  
**Sent:** Wednesday, March 11, 2020 8:52 PM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - livable wage

Hello,

As a voting citizen and taxpayer in the C&C of Honolulu, please amend HB2541 HD1 since it is woefully inadequate in today's day and age. People who work 40 hours a week cannot survive on \$13 and hour. Instead, please amend HB2541 HD1 to at least \$17 by 2025 in a phase.

Thank you,  
Kenneth Choi

## taniguchi4 - Joel

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**From:** Luciano Minerbi <luciano@hawaii.edu>  
**Sent:** Wednesday, March 11, 2020 10:26 PM  
**To:** LCATestimony  
**Subject:** \$17/hour is the OK thing to do now.

Aloha:

please increase minimum wages to \$17/hour now--- doing anything less costs everyone in Hawaii much more in many ways. Please help the working poor it will improve health and the economy too. Consumers will continue to pay for services anyway and the working poor becomes more a consumer if he/she has some money. It is good for everyone!

Mahalo

Luciano

--

Luciano Minerbi, Dr. Arch. MUP, APA  
Professor Emeritus  
Department of Urban and Regional Planning  
Saunders Hall, 107  
2424 Maile Way  
University of Hawai'i, Honolulu, HI. 96926, USA  
Tel. 808-956-7381; Fax 808-956-6870  
e-mail: [luciano@hawaii.edu](mailto:luciano@hawaii.edu)

*("Non dat veritas sine memoria" Latin Proverb)*

## taniguchi4 - Joel

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**From:** MJ Duberstein <iliwai34@hawaii.rr.com>  
**Sent:** Thursday, March 12, 2020 1:11 AM  
**To:** LCATestimony  
**Subject:** A True Living Wage System

Aloha

Please, if you're serious about a living wage for our ohana, don't institutionalize the meager planned increases you now have before you.

As an economist I assure you that there's no way to expect inflation to rise slower than increases in wage floors. Nor is there any proof that wage increases act as a force on price levels.

Remember, economics is nothing more than the study of choices and the costs of information about those choices. It ain't any tougher than that—and indeed, your impending votes are true examples of these choices based on the cost of information about them, whose information you choose to believe and thus influence your vote.

Please don't make such a bad choice on this key issue. Indeed, your time probably would better be spent dealing with the virus pandemic and how Hawai'i will inevitably have to confront it.

Aloha and Malama pono

MJ Duberstein  
34 Iliwai Loop  
Kihei

mjd; sent from my iPhone 6s

## taniguchi3 - Jarret

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**From:** Mr. & Mrs. Neil Ishida <nishida@abcstores.com>  
**Sent:** Thursday, March 12, 2020 8:13 AM  
**To:** LCATestimony  
**Subject:** HB2541 Comments Testimony

**Categories:** Green Category

Dear Chair Taniguchi,

I am very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. I feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

I support the intent of this measure to help working families, I believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. I support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

I understand that the government is also under pressure to address the minimum wage and I appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity (RPP) in the US . Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8% higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."



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 hour (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

Sincerely,

Neil Ishida  
1209 Ala Puumalu St  
Honolulu, HI 96818  
nishida@abcstores.com

## taniguchi3 - Jarret

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**From:** Ann Bassel <annbassel@me.com>  
**Sent:** Thursday, March 12, 2020 8:39 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Aloha,

As a 20 year resident of Hawaii, living in Haiku Maui, I am writing today to respectfully request that the hard working men and women of our state receive a reasonable minimum wage of \$17 per hour. This is the minimum that these most important members of our communities need in order to live in Hawaii and continue their work, which is so vital to all of us.

Past increases to minimum wage have had no negative impacts on the businesses and economy of the state. It is vitally important that we not forget, pass over or delay providing a living wage of \$17 per hour.

Today is the time to pass this bill - for the benefit of all in this state!

Mahalo,  
Ann Bassel  
Haiku, Maui

Sent from my iPhone

**taniguchi3 - Jarret**

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**From:** Jerry Riverstone <riverstonej@gmail.com>  
**Sent:** Thursday, March 12, 2020 8:36 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear Senator Taniguchi

I would like to thank you for your past support on behalf of Hawaii's working people, and ask for your continued support by raising the minimum wage to \$17/hour by 2025.

Economic disparity undermines the values and social welfare of our island communities, and moving toward a living wage for all is an essential step.

Thank you

Jerry Riverstone

**HB-2541-HD-1**

Submitted on: 3/12/2020 8:56:53 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Howard Fu	Individual	Oppose	No

Comments:

Thirteen (13) dollars by 2024 is not enough, increase to seventeen (17) dollars for 2025! Even though it is not comparable to the economy and the cost of living but it is a step in the right direction and helping the working families!

**HB-2541-HD-1**

Submitted on: 3/12/2020 9:21:17 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Catherine Susan Graham	Individual	Comments	No

Comments:

Aloha Chair and Committee members,

Rep. Sylvia Luke was quoted in this mornings paper as saying "it's even more important for us to pass the wate...bill because this is a time to really support those (working class and low income working families.)

What an inspiring sentiment and I could not agree more. But, please, Legislators, put the money where your mouth is.

A raise to \$13 by 2024 is insulting - not supportive. Please be realistische about the needs of our Hawaii residents and increase the minumum wage to \$17. Other municipalities and businesses have successfully make it work.

**HB-2541-HD-1**

Submitted on: 3/12/2020 9:29:38 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kassandra	Individual	Support	No

Comments:

My name is Kassandra and I am a high school senior. One of the reasons I am leaving Hawaii when I go to college is the concerns I have regarding my financial situation. The living wage in Hawaii is far above minimum wage, according to the state Department of Business, Economic Development and Tourism, and I don't believe that I could support myself and pay for college if I lived here. In addition, I have a medical condition that requires regular check ups, tests, and medication, and I know that I could not possibly afford both college and health care if I were living in Hawaii. Though my view is limited because I am still living with my family while I finish high school, the situations that I have been exposed to thus far have been enough to convince me that an increase in minimum wage is absolutely essential for the young adults and workers of Hawaii.

**HB-2541-HD-1**

Submitted on: 3/12/2020 9:56:19 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Otomi Tochika	Individual	Support	No

Comments:

**I am for passing this bill. Living in the community all my life, I see many struggling to barely get by. The streets are filled with homeless and it's very heartbreaking to see. By passing the bill, it can make it easier to live stably in Hawaii. I know how expensive it can be and I think it's necessary to adjust for that so we don't have as many people living in poverty or right on the poverty line.**

## **taniguchi4 - Joel**

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**From:** Catherine Ishida <catherineishida@gmail.com>  
**Sent:** Thursday, March 12, 2020 9:03 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Please put dignity back in work, and give people a chance to make a living and live. It can be done without harming the economy.

Catherine Ishida  
126 Kanoelani St  
Hilo HI 96720



**taniguchi4 - Joel**

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**From:** labford@turquoise.net  
**Sent:** Thursday, March 12, 2020 9:12 AM  
**To:** LCATestimony  
**Subject:** minimum wage

Aloha,

Please amend HB2541 HD1 to immediately start a \$15/hour minimum wage effective January 1, 2021 and increase it to \$17/hour by 2023.

Brenda Ford  
81-950 Makahiki Lane  
Captain Cook, HI 96704

## **taniguchi4 - Joel**

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**From:** Julia Devrell <tyandjul@mac.com>  
**Sent:** Thursday, March 12, 2020 10:00 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Dear State Senate Committee,

Working people in Hawaii need to earn a living wage. \$13.00 per hour in 2024 is inadequate. HB2541 HD1 should be amended to at least \$17.00 per hour by 2025. It's a shame that many of our adult children have had to move to the mainland to earn better incomes. Higher wages would be good for the economy as people could put the increase back into the local economy.

Thank you,

Julia and Tyler Devrell, 40 year residents of Kaua`i

## taniguchi4 - Joel

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**From:** tora smart <tora.smart@me.com>  
**Sent:** Thursday, March 12, 2020 9:20 AM  
**To:** LCATestimony  
**Subject:** Minimum wage

To whom it may concern,

My husband and I own a small business in Hanalei, Kauai. Our shop is open 80 hours a week and we have four part-time employees, including ourselves, working those hours. We know how important it is to retain fantastic staff (as unemployment is so low in Hawaii), and so we try to do our very best to make them happy and make their lives work. We start their pay at \$15 an hour and have two employees earning \$20 and \$22 an hour. On top of this they earn commissions based on their sales as well as bonuses for threshold sales. It is very clear to us that if their lives work, if they are happy at their job, if they are not overworked, that it is good for our business and also good for our sense of fairness and justice. And this is good for us as business owners! It is simply not sustainable for our business to have a stressed staff working it. Everyone deserves to have shelter, food, medical assistance, and time off. It makes for a happier workforce, healthier community, and better business.

Sincerely,  
Tora Smart

Sent from my iPhone

## **taniguchi4 - Joel**

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**From:** Zippy's Restaurants <marketing@zippys.com>  
**Sent:** Thursday, March 12, 2020 9:46 AM  
**To:** LCATestimony  
**Subject:** HB2541 Comments Testimony From Zippy's Restaurants

Dear Chair Taniguchi,

Zippy's Restaurants is very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. We feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

Zippy's Restaurants supports the intent of this measure to help working families, we believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. We support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

We understand that the government is also under pressure to address the minimum wage and we appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity (RPP) in the US . Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8% higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."

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 hour (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and Zippy's Restaurants thanks you for the opportunity to provide testimony.

Sincerely,

Zippy's Restaurants  
1765 S King St  
Honolulu, HI 96826  
marketing@zippys.com

## taniguchi4 - Joel

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**From:** Cecilia Lazaro <cecilialazaro@ymail.com>  
**Sent:** Thursday, March 12, 2020 9:58 AM  
**To:** LCATestimony  
**Subject:** Minimum Wage

Please \$13.00 an hour is not enough to survive. I'm for setting the minimum wage of at least \$16.00 IMMEDIATELY. Why wait until 2014, by that time we will be all homeless. Hawaii is so expensive for everything. I'm living pay check to paycheck and I'm still struggling. It's time that you people look after us small people and give us a break. Taxes taxes taxes, we need to survive.

Thank you

Cecelia Lazaro

cecilialazaro@ymail.com

Sent from my iPhone

**HB-2541-HD-1**

Submitted on: 3/12/2020 10:02:16 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dylan Chang	Individual	Support	No

Comments:

I believe that the minimum wage should be increased, as not only would this allow for many people to rise out of poverty this would also increase the wages of other workers making just above the minimum wage. Currently the minimum wage does not even allow for one to afford to pay all necessary expenses. In order to make enough for just a one bedroom unit, a worker has to work on average 92 hours per week. At this current rate people won't be able to buy a home and thus will move elsewhere. It's because of these reasons why I support the increase in minimum wage.

**HB-2541-HD-1**

Submitted on: 3/12/2020 10:07:19 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tadashi Kamiya	Individual	Support	No

Comments:

Dear Mr. Chairman and Members of the Committee on Finance, Labor & Public Employment:

My name is Tadashi Kamiya. I am currently a senior in high school and would like to express my support for House Bill 2541 relating to Income Tax Credits and Minimum Wage.

Five months ago, my family moved out of our first home in Hawaii Kai after my father, who was a minister lost his job. We are now living in an apartment in the middle of the bustling city, situated between McCully and Moiliili.

Our income back then was flowing steadily, helping my parents and myself to pursue my goal of becoming a contributing member of society. But now, with our savings limited, we are working harder and more cautiously to make ends meet.

From this experience, I have realized how hard it is to live a life where you don't have any financial support backing you up. Soon I will have to deal with the reality of handling my money on my own. I can relate to this as my family was asked to come to Hawaii and be caretakers of the church property and were given generous amount that was immeasurable to us. After that was taken away, we were presented with an alternative light that seems much busier and stressful than before.

After reading the data from the state's Department of Economic Development and other related sections, a single person with or without children and getting health insurance



from their employer, needs a lot more than the current minimum wage. To them, it's not even close to enough.

I want the legislature to wake up and look out their window, and see what is going on.

Thank you for your consideration.

Mahalo.

**HB-2541-HD-1**

Submitted on: 3/12/2020 10:17:24 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Marisa Plemer	Individual	Oppose	No

Comments:

HB 2541 is not enough, please increase the minimum wage to \$17 by 2025 through a phased in process. In this day and age of Coronavirus it is the working poor and middle class who desperately need our Legislators assistance. Thank you, Marisa M. Plemer

**HB-2541-HD-1**

Submitted on: 3/12/2020 10:18:34 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Yuma Tochika	Individual	Support	No

Comments:

**I am a high school student and have done research on the topics of cost of living and minimum wage in Hawaii. In 2019, the National Low Income Housing Coalition (NLIHC) found that Hawaii has the highest housing costs in the nation (1). It requires someone to make \$36.82 an hour to afford a 2 bedroom rental home, or work 146 hours a week at minimum wage. Looking at that from another angle, you need to make more than 3.6 times the minimum wage or work over 21 hours a day, and that is only for housing, not food or other necessities. A minimum wage increase to \$13 would reduce the hours needed to work by over 32 hours a week, and would help pay for the extremely expensive utility cost, which is also the highest in the nation at \$730.86 per month (2). As we all know, homelessness is a huge problem in Hawaii, and the minimum wage increase could help people who are in danger of being homeless and allow people who are homeless to buy a home.**

Sources:

1. <https://reports.nlihc.org/oor>
2. <https://www.move.org/which-states-pay-most-utilities/#Hawaii>

## **taniguchi4 - Joel**

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**From:** Edna Ching <edna.ching@7-11hawaii.com>  
**Sent:** Thursday, March 12, 2020 10:27 AM  
**To:** LCATestimony  
**Subject:** HB2541 Comments Testimony

Dear Chair Taniguchi,

I am very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. I feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

I support the intent of this measure to help working families, I believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. I support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

I understand that the government is also under pressure to address the minimum wage and I appreciate the legislature's consideration of our business community's major concerns:

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- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
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Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."

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 hour (May 1, 2015), prices at Chipotle increased proportionately. According to the report:

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Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

Sincerely,

Edna Ching  
2243 Booth Rd  
Honolulu, HI 96813  
edna.ching@7-11hawaii.com

## **taniguchi3 - Jarret**

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**From:** Fern A Holland <fernanuenue@gmail.com>  
**Sent:** Thursday, March 12, 2020 10:45 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

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

Please increase the minimum wage in HB2541 to be \$17 by 2025. This allows a 5 year transition to allow for what people deserve. People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care. Please support this.

Mahalo for your consideration,

Fern

**Fern Ānuenue Holland BSc.**

Ecologist & Environmental Scientist

Tahiti Nui Bar & Restaurant Management, Hanalei

Ph: (808) 634-6242

## **taniguchi3 - Jarret**

---

**From:** bagoly@hawaiiantel.net  
**Sent:** Thursday, March 12, 2020 11:01 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Esteemed Chairman Taniguchi, Committee Members:

As a Hawaii resident taxpayer, I would like to add my voice to those supporting HB2541 HD1, and, indeed, would ask you to amend it to reflect a \$17-an-hour living wage. The current crisis cluster we are in clearly shows us that we are all only as strong and resilient as those who have the least among us. Please do the aloha thing – remember what the King said:

Ua Mau ke Ea o ka 'Āina i ka Pono.

Respectfully,

Kornelia DeKorne

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P. O. Box 6330, Hilo, HI 96720  
(808) 965-0171

## **taniguchi4 - Joel**

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**From:** Bruce Cohen <bcohen@hawaii.rr.com>  
**Sent:** Thursday, March 12, 2020 11:17 AM  
**To:** LCATestimony  
**Subject:** HB2541 HD1

**Aloha,  
Please support HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025.  
The people of Hawaii need to make a living wage that will allow more than just getting by.  
On occasions emergency's come up. The Hawaii Ohana usually has "Plenty Keki's".  
The needs of a family are demanding. Please make HB2541 HD1 a reality.  
Mahalo,  
Bruce Cohen  
Pahoa Hawaii**



**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 11:57:05 AM

Testimony for LCA on 3/12/2020 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nikos Leverenz	Individual	Support	No

Comments:

I am writing in strong support of an increase in Hawaii's minimum wage.

However, [\\$13 is not enough.](#)

A minimum wage of \$15 was forwarded as a central pillar of Gov. Ige's reelection campaign, a position that was not matched by his Democratic and Republican challengers.

[Every Hawaii worker deserves a wage of at least \\$17 by 2025.](#)

Last year Illinois passed a phased minimum wage increase to \$15 by 2025 with a much lower cost of living. To wit, the current median price of a home in that state is about \$204,000.

The last increase in Hawaii's minimum wage did not result in increases in unemployment or bankruptcies, and there were no unusual inflationary impacts. An increased minimum wage in Seattle also did to precipitate economic hardship, much less calamity.

[The American Public Health Association \(APHA\) is clear about the connection between income and health:](#)

"There is international consensus that income is a determinant of health, shaping access to basic needs and social determinants of health such as housing, education, and job opportunities." It also found that "**more than a decade's worth of research indicates that increasing the minimum wage is an effective means of improving public health across many settings.**"

**Per the APHA, low incomes contribute directly to poor health outcomes:**

"Individuals with low incomes disproportionately experience adverse health outcomes, including higher rates of chronic illness and disability and lower life expectancies, because wages directly affect a person's ability to access resources such as healthy foods. Diabetes, heart disease, and hypertension are also more common among low-wage earners, and individuals with low incomes have as much as a 25% lower life expectancy than those with higher incomes. Low-wage workers might also experience negative health outcomes because they tend to not have sick leave, and their working

conditions are more likely to be unsafe as a result of exposure to dangerous substances or other hazards."

**Per the APHA, low incomes also have serious negative consequences for children and families:** "Negative health outcomes affect not only wage earners themselves but all members of a household throughout their life course. For example, babies born in low-income families are twice as likely to have a low birthweight as babies in higher-income families. Also, children in low-income families are 40% more likely to have asthma and four times as likely to drop out of high school."

**Per the APHA, those with low incomes struggle to access safe and affordable housing, resulting in increased transportation costs and increased employment instability:** "Minimum- and low-wage earners often struggle to access safe and affordable housing. In most states, affordable housing is located at ever-increasing distances from city centers with high concentrations of goods, services, and employment opportunities. The increasing distance between jobs and housing proves costly to workers; low-income families typically pay more for transportation than their higher-paid counterparts, spending on transportation to work what they might otherwise save thanks to affordable housing. People who live closer to jobs are more likely to find and keep employment, and their periods of unemployment are shorter, both of which are indicators of better health."

With respect to the impact of an increased wage on social benefits eligibility, the APHA notes its potential impact but recommends the adjustment of eligibility requirements: "Policymakers should assess whether minimum wage increases would harm the low-income populations they mean to help by making individuals and families ineligible for valuable benefits, and they should adjust eligibility requirements as necessary."

Thank you for the opportunity to provide testimony.

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 12:30:33 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
James K. Chan	Testifying for Hawaiian Chip Company, LLC	Oppose	No

Comments:

The Hawaiian Chip Company supports the overall approach of the 2020 legislative package to help with housing, child care, and assisting hard working people with EARNED income tax credits. However, raising the minimum wage will put small businesses at a significant disadvantage because it leaves less to reward those who have earned raises through merit.

## taniguchi4 - Joel

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**From:** Hoku Cabebe <k.hokuokalani@gmail.com>  
**Sent:** Thursday, March 12, 2020 11:57 AM  
**To:** LCATestimony  
**Subject:** Raise Minimum Wage to atleast \$17.00/HR

Its not fair to be a mother of 1 child, wishing to raise my daughter here on our 'aina hanau, working full time and then some and unable to make it pay check to pay check! Raise the minimum wage! Raise it now, raise it to something that provides for the working class!

Mahalo,  
Hoku Cabebe  
Kaua'i Resident

## **taniguchi4 - Joel**

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**From:** Brian Kamau <bkamaukalani@gmail.com>  
**Sent:** Thursday, March 12, 2020 12:56 PM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

### **To Whom it may concern:**

**\$13 minimum wage in 2024 is woefully inadequate and too little too late, and HB2541 HD1 should be amended to at least \$17.** While still falling short of a true living wage, \$17 an hour would be a strong step in the right direction. People who work 40 hours a week, deserve to be paid a wage that allows them a dry, safe place to live, 3 decent meals a day and basic health care. And the ability to support their families and still remain living in this beautiful state.

Sincerely

Brian Kamau

## **taniguchi4 - Joel**

---

**From:** anaholabon@gmail.com  
**Sent:** Thursday, March 12, 2020 12:37 PM  
**To:** LCATestimony  
**Subject:** RAISE MINIMUM WAGE

Aloha, as a 40+ year resident, I am well aware of the effort it takes to just survive. A \$13/hr wage only ensures another job must be added... or it's a sure way to create more welfare recipients, homeless people (Ive been very close, with 5 jobs!) and drug sales

Could you even live on the proposed \$17/hour wage? Stop throwing money at programs to help drug related, homeless issues (crime, violence) and address the source- a livable wage to support a family in a positive way, for them and for community.

Please step into our world and do your job.

Mahalo,

Bonnie Morris  
Anahola Kaua'i

## taniguchi4 - Joel

---

**From:** photo of Steve Silva and Katherine Boswell 2014 <mmulhall@hawaii.rr.com>  
**Sent:** Thursday, March 12, 2020 12:22 PM  
**To:** LCATestimony  
**Subject:** Please increase minimum wage in Hawaii to \$17 per hour. Mahalo.

Sent from [Mail](#) for Windows 10



This email has been checked for viruses by AVG antivirus software.  
[www.avg.com](http://www.avg.com)

**LATE**

**taniguchi4 - Joel**

---

**From:** Sandra Scarr <sandrascarr@gmail.com>  
**Sent:** Thursday, March 12, 2020 1:29 PM  
**To:** LCATestimony  
**Subject:** Strongly support HB 2541 HD1

To the Committee:

Hawaii must guarantee workers a Living Wage. It is shameful that many workers in this state cannot afford housing and end up homeless.

\$13/hr In 2024 is not enough. The minimum wage should be \$15/hr now, rising to \$17/hr by 2024.

Sandra Scarr  
Holualoa





1132 Bishop Street, #1920 | Honolulu, HI 96813  
1-866-295-7282 | Fax: 808-537-2288 | TTY: 1-877-434-7598  
aarp.org/hi | hiaarp@aarp.org | twitter: @AARPHawaii  
facebook.com/AARPHawaii

THE SENATE  
Committee on Labor, Culture and the Arts  
Thursday, March 12, 2020  
3:15 p.m.  
Conference Room 229

To: Senator Brian Taniguchi, Chair  
Re: HB 2541 HD1 Relating to Helping Working Families

Dear Chair Taniguchi, Vice-Chair Ihara, and Members of the Committee,

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with nearly 145,000 members in Hawai'i. AARP advocates for issues that matter to Hawai'i families, including the high cost of long-term care; access to affordable, quality health care for all generations; and serving as a reliable information source on issues critical to people over the age of fifty.

HB 2541 HD1 helps Hawaii's working families by making the State earned income tax credit refundable and permanent for taxable years; amending the refundable food/excise tax credit to \$50 multiplied by the number of qualified exemptions; and increasing the minimum wage rate.

AARP supports the intent of HB 2541 HD1 with comments. AARP recognizes and commends the State Legislature's efforts to support working families who are struggling to survive Hawaii's high cost of living. Boosting the State earned income tax credit, food credit and increasing the minimum wage provide the extra assistance these families could use.

Our concern with H.B, 2541, rests with provisions that amend access to the food tax credit. The legislation includes a new requirement that the food credit only be available to individuals and families who have earned income. The effect of this change is to take the credit away from low income Hawaii residents who currently receive the credit, but who do not have earned income. This includes our state's low and moderate- income retirees who may only have their Social Security or a modest pension to cover all of their living expenses, including food, utilities, housing, and prescription medications, to name a few. Many of these older individuals use their fixed income to care for their parents, their spouses, and their children and grandchildren.

These individuals, who have limited ability to rejoin the workforce, high health care and caregiving expenses, and virtually no time horizon for saving money, would be forced to take on a significant, unanticipated expense.

AARP Hawaii believes that food security is critical to the health of all residents especially older individuals on fixed incomes. The intention of a food credit is to help those with lower and moderate incomes offset the high cost of food. It is not clear to us why Hawaii's food credit would become contingent on earning income, particularly as defined in H.B 2541 HD1.

Thank you for the opportunity to testify in support and comment on HB 2541 HD1.

Real Possibilities

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 2:55:23 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Anita Trubitt	Individual	Support	No

Comments:

**LATE**



**HAWAI'I COMMUNITY  
FOUNDATION**

March 12, 2020

Hawaii State Senate Committee on Labor, Culture & the Arts  
Hearing: 3:15 p.m.  
Hawaii State Capitol Room 224

Re: SUPPORT for House Bill 2541, HD1, Relating to Helping Working Families

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

We are writing in support of HB 2541, HD1, relating to helping working families. This measure makes the state earned income tax credit refundable and permanent. It increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income and federal adjusted gross income. It increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

The Hawaii Community Foundation strives to make a difference by investing in people and solutions to benefit every Hawaii island community, launching an effort called the CHANGE Initiative. It is intended to engage business leaders, government, and community members who are invested in making Hawaii a better place. The initiative is built on a strategy of using a common data set to inspire collective action around a set of shared goals to solve Hawaii's biggest challenges.

The focus of this work is the segment of our population that is identified in the Asset Limited Income Constrained, Employed ("ALICE") report published by Aloha United Way in 2017. We see numerous community efforts to address problems that would benefit from being better coordinated and connected to each other. We believe that same intent is at the core of HB 2541, HD1.

Please support HB 2541, HD1.

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 3:01:31 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
NFIB Hawaii	Individual	Oppose	No

Comments:

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 4:07:39 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Danicole Ramos	Individual	Comments	No

Comments:

Please raise to \$17/hr

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 4:48:39 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sandra Fujita	Individual	Oppose	No

Comments:

I do not support **HB2541 HD1** because a minimum wage of \$13 an hour is laughable for Hawaii. Again, politicians give themselves a good raise and toss the working people a few coins (keeping them in poverty).

**taniguchi4 - Joel**

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**LATE**

**From:** bless2u@aloha.net  
**Sent:** Thursday, March 12, 2020 3:16 PM  
**To:** LCATestimony  
**Subject:** Increase of Minimum Wage

To: Esteemed Law Makers

Our family have been residents of Hawaii since 1976 and on Kauai since 1978. We raised two sons here who are now business owners on the Island. In the past few years, We are seeing our population ( especially younger family) leaving the Islands due to lack of sustainable income & lack of affordable housing. Families can no longer afford to pay rents or buy homes in Hawai'i . What a sad state of affairs. Please consider the consequences and vote to increase the minimum wage.

Thank you kindly

Fern Merle-Jones

PO Box 603, 7581A Koolau Rd,  
Kilauea, Hi 96754

Fern, Michael,Quinn Merle-Jones

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#

**LATE**

**HB-2541-HD-1**

Submitted on: 3/12/2020 5:46:49 PM

Testimony for LCA on 3/12/2020 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shoshi Hashimoto	Testifying for PBA	Support	No

Comments:

**As a student, I believe the minimum wage rate should be higher for Hawaii residents. I have a friend that is not much older than me who is working multiple part time jobs just to help support his family. He lives with his parents and siblings because they need his financial support and also he can not afford to live on his own. Raising the minimum wage closer to the living wage would help so many people be able spend more time on other family responsibilities instead of working long hours. This also will help more people to get off the street and the organizations such as Next Step Shelter, Family Promise, and etc. to help more people get back on their feet. That is why I strongly believe that the minimum wage should be increased.**



**LATE**

**taniguchi4 - Joel**

---

**From:** Julia Hernandez <gaia\_julia@yahoo.com>  
**Sent:** Thursday, March 12, 2020 9:20 PM  
**To:** LCATestimony  
**Subject:** Minimum wage

**LCA testimony,**

**HB2541 HD1HB2541 HD1 should be amended to raise the minimum wage to a living wage. The cost of living in Hawaii is high and those earning minimum wage need to be able to afford food and shelter. HB2541 HD1 should be amended to raise the minimum wage to \$17 an hour by 2025.**

**-Julia Hernandez, Kauai business owner and voter.**

Sent from my iPad

**LATE**

**taniguchi4 - Joel**

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**From:** Eve Powers <sacredearth70@gmail.com>  
**Sent:** Friday, March 13, 2020 8:04 AM  
**To:** LCATestimony  
**Subject:** RE: HB2541 HD1 - \$13 is not enough, please increase the minimum wage to \$17 by 2025

Increasing the minimum wage to \$17 per hour will act as an economic stimulus for Hawaii. Workers need a livable wage, especially in our state where everything is much more expensive than on the mainland. PLEASE DO THIS!

thank you,  
Eve Powers  
Koloa, HI