



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
February 8, 2021

The Honorable Senator Brian T. Taniguchi, Chair  
Senate Committee on Labor, Culture, and the Arts  
The Honorable Senator Joy A. San Buenaventura, Chair  
Senate Committee on Human Services  
The Thirty-First Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Senator Taniguchi, Senator Buenaventura, and Committee Members:

SUBJECT: SB793 Relating to Minimum Wage

The Hawaii State Council on Developmental Disabilities **STRONGLY SUPPORTS SB793** which repeals the exemption of persons with disabilities from minimum wage requirements.

Under the law, being “disabled” or “handicapped” allows an individual to be considered exempt from minimum wage within the State of Hawaii. The subminimum-wage law for workers with disabilities was enacted as part of the Fair Labor Standards Act (FLSA) in 1938, before the civil rights era. This Depression-era law was supposed to act as a steppingstone to full gainful employment. Sub-minimum wage was never intended to act as a safety net for individuals considered unable to work a minimum wage job. The Council finds sub-minimum wage as an employment tool to be archaic and a clear violation of individuals with disabilities civil rights.

We are aware that there are non-profit agencies that currently hold 14c certificates. However, our understanding is that these agencies only do so because they are required under the procurement code to be considered a “Qualified Community Rehabilitation Program” (QCRP). The contracts that are given to QCRPs do not require the payment of sub-minimum wage.

The Council has followed up regarding who and how many individuals with disabilities are being employed at sub-minimum wage. In the 2020 legislative session, we stated that no single person was being employed at sub-minimum wage. We have followed up again as recently as two months ago and found that there is still no one in the State of Hawaii being paid sub-minimum wage. Sub-minimum wage is a dated practice that is not even fulfilling its original intent. It is time that this practice was ended.

Thank you for the opportunity to submit testimony **strongly supporting SB793**.

Sincerely,

Daintry Bartoldus  
Executive Administrator



STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
[www.labor.hawaii.gov](http://www.labor.hawaii.gov)

February 8, 2021

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

The Honorable Joy A. San Buenaventura, Chair,  
The Honorable Les Ihara, Jr., Vice Chair, and  
Members of the Senate Committee on Human Services

Date: Monday, February 8, 2021  
Time: 3:00 p.m.  
Place: Conference Room 225, State Capitol

From: Anne Eustaquio, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. No. 793 RELATING TO MINIMUM WAGE**

**I. OVERVIEW OF PROPOSED LEGISLATION**

This measure repeals the exemption of persons with disabilities from minimum wage requirements in Chapter 397, Hawaii Revised Statutes (HRS), Wage and Hour Law as well as in Chapter 103D, HRS, Hawaii Public Procurement Code. The department offers comments on the proposal.

**II. CURRENT LAW**

§387-9 Special minimum wages for learners; apprentices; full-time students; paroled wards of Hawaii youth correctional facility; handicapped workers allows the Director to issue special certificates for certain individuals to be paid at less than the minimum wage rate. §387-9(2) includes, "...individuals whose earning capacity is impaired by old age or physical or mental deficiency or injury,".

§12-20, Hawaii Administrative Rules (HAR), Subchapter 3 Employment of Handicapped Clients in Sheltered Workshops permits the Director to issue special certificates for a period of time designated by the Director.

**III. COMMENTS ON THE SENATE BILL**

Currently there are five sheltered workshops with active special certificates permitting the payment of subminimum wages. All five are paying their employees

at least the statutory minimum wage required under section 387-2, HRS. Normally, a special certificate would not be required for these organizations since they pay at least the minimum wage.

Although these organizations pay all employees at least the statutory minimum wage of \$10.10 per hour, section 103D-1001, HRS, requires each of them to obtain a special minimum wage certificate from the DLIR for the entity to meet the definition of a "qualified community rehabilitation program", and be eligible to provide goods or services to public agencies. This measure removes the need for a special certification of a qualified community rehabilitation program by the Director.

DLIR notes that the proposed new language on page 4, lines 4-10, should be underlined as the language is not currently in the statute.

Brandon G. Young  
980 Maunawili Rd.  
Kailua, HI 96734  
Phone: (808) 351-6676  
Email: [young.brandon4@gmail.com](mailto:young.brandon4@gmail.com)

31<sup>st</sup> State Legislature of the State of Hawaii  
Committee on Labor and Consumer Affairs Senate Bill 793  
Hearing for Monday February 8, 2021 at 3:00 P.M.

Dear Committee Chair and Vice-Chairs,

My name is Brandon Young, and I am submitting testimony on behalf of the National Federation of the Blind of Hawaii. I have testified on behalf of the removal of the payment of sub minimum wages to people with disabilities for many years now. I am submitting testimony in support of SB 793. I believe that if we are able to pass this bill and eliminate these crippling regulations in the Hawaii Revised Statutes (HRS), that we could end the payment of sub minimum wages of those who employ people with disabilities here in Hawaii. This subject is especially important to me and I am appreciative that your committee has taken the time to sponsor a bill in this area.

I am a person who is blind and as a part of the disabled community here in Hawaii and across the nation, we have been burdened with the restrictions of the Section 14C of the Fair Labor Standards Act (FLSA). This is the section of the law that allows certain entities the ability to pay their employees with disabilities sub minimum wages over the years. As people with disabilities, we just want the opportunity to work. We often find it difficult to find those that are willing to hire us in the community. It is great we find the few that are willing to hire those with disabilities. When we are then burdened with the likelihood that we will be paid less than others that are not disabled, we are hurt by this. In the past, many of the agencies that have used the protection of the Section 14C certificates have often paid their employees with disabilities little where the non-disabled executives received very lavish salaries at the companies. I believe that hearing from those community agencies, that many or all of them are ready to forgo this protection that the federal government has granted them over the years. I would hope that the legislature would do the right thing and eliminate the codes that mandate that community agencies that employ people with disabilities must have and use these Section 14C certificates in order to qualify for state contracts. Many of these agencies help people with disabilities in Hawaii. If this bill were passed, it would help in allowing the remaining agencies to be able to gain state contracts without holding these outdated Section 14C certificates. I would again urge your committee to pass this bill. The passage of this bill would go a long way in improving the lives of the blind and others with disabilities to gain employment here in Hawaii.

**Melissa Gerber**  
**975 A'e St #212**  
**Kapole, HI 96707**  
**Phone: 808-227-4271**  
[mgerber@auhawaii.org](mailto:mgerber@auhawaii.org)

Testimony before LCA/HMS, WAM

Hawaii State Senate  
Thirty-First Legislature, Regular Session of 2021  
February 8, 2021, 3:00 PM, hearing on SB793  
Dear Committee Chair and Vice-Chair,

My name is Melissa Gerber, I am the 1<sup>st</sup> Vice President of the National Federation of the Blind of Hawaii. I am also a professional in the Vocational Rehabilitation industry. I create and manage employment programs and services for individuals with disabilities. I am in support of bill SB793. We must continue raising the standards for individuals with disabilities and industry service providers. The goal for individuals with disabilities must be integrated competitive employment at minimum wage or higher. Giving agencies the option of paying subminimum wage in some cases can promote substandard performance in both the consumers and the training program and or agency. Doing away with the requirement of a 14(c) certificate will force agencies to create training programs with better outcomes for industry standard training services and pre-employment classes.

As an individual with a disability, if I did not have higher aspirations and standards set I would still be on public assistance. Please vote in support for Bill SB793. The effects will be far reaching across the industry to the ultimate benefit of both employers and individuals with disabilities.

Sincerely,

Melissa Gerber

**SB-793**

Submitted on: 2/5/2021 6:49:16 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Louis Erteschik	Testifying for Hawaii Disability Rights Center	Support	No

Comments:

A few years ago when this issue was being considered we expressed some concerns. In the intervening time, those concerns have been adequately addressed. Our understanding is that either literally nobody or virtually nobody in the state is being paid a sub-minimum wage.

In light of that, it makes good sense to repeal it. It has become more and more a vestige of an older era and has ceased to serve the purpose for which it was originally created. The trend nationally is to generally eliminate it or at least phase this out in states where it may be more common. Given its lack of utilization anyway, it would be a good opportunity for Hawaii to showcase a leadership role on the issue.

**SB-793**

Submitted on: 2/6/2021 5:01:11 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

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

Comments:

I have a disability and know I can get a job at minimum wage because I get the supports I need. I went to a training on customized employment that works. Please pass this bill.

**SB-793**

Submitted on: 2/6/2021 5:22:14 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

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

Comments:

I am a person with a disability and I support this bill. I understand 80 years ago employers did not know how to work with someone who had a disability so to get someone with a disability a job, the government let them pay people with a disability less. This is not needed any more because we have lots of abilities and can do different types of work and should be able to get at least minimum wage for it.

Thank you for reading my testimony, please pass SB793



**SB-793**

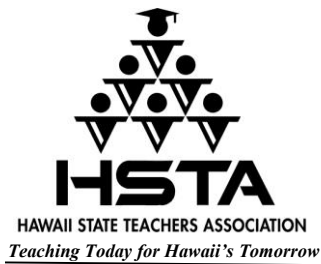
Submitted on: 2/6/2021 4:54:50 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

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

Comments:

As a person with a disability, I am in strong support of this bill, it protects my civil rights.  
Thank you.



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 and THE COMMITTEE ON HUMAN  
SERVICES

RE: SB 793 – RELATING TO THE MINIMUM WAGE

MONDAY, FEBRUARY 8, 2021

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Taniguchi, Chair San Buenaventura and Members of the Committees:

The Hawaii State Teachers Association **strongly supports SB 793**, relating to the minimum wage. This bill repeals the exemption of persons with disabilities from minimum wage requirements. Takes effect on 1/1/2022.

Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Minimum wage workers in the islands must complete 116 hours of work per week to afford a modest one-bedroom apartment at fair market value and 139 hours per week to afford a two-bedroom, which amounts to working 20 hours a day with no days off all year. **That's impossible for anyone, especially for individuals with disabilities with the current minimum wage exemption that allows them to be paid subminimum wages. This exemption needs to be repealed.**

**It is unacceptable that we allow disabled individuals to be paid a subminimum wage. Many of these individuals were once special education students, who were guaranteed a free and appropriate education under the Individuals with Disabilities Education Act and promised a life filled with opportunities to realize their full potential.** Yet, written in 1938, the Fair Labor Standards Act (FLSA) discriminates against people with disabilities by permitting employers to pay disabled workers less than the federal minimum wage. This provision is echoed in HRS §387-9, but **is based on the mistaken idea that disabled employees are less productive than their able-bodied colleagues.** Many employment programs have come about since the mid-20<sup>th</sup> Century to assist people with disabilities in acquiring and using essential job skills.

**A subminimum wage disrespects the contributions of disabled workers. Research shows that the subminimum wage model costs more, while inspiring lower rates of productivity. After more than seventy-five years of demonstrated failure, it is time to invest in more effective models of**



Corey Rosenlee  
President

Osa Tui Jr.  
Vice President

Logan Okita  
Secretary-Treasurer

Wilbert Holck  
Executive Director

**employment that are successful at advancing the workplace prospects of disabled individuals who were previously—and egregiously—thought to be unemployable.**

We believe that lawmakers have a moral responsibility to eliminate the subminimum wage for all workers, regardless of disability, so that everyone is treated equally under the law. Minimum wages are low enough, and problematic to begin with, thus allowing anyone to be paid subminimum wage is even worse.

**To ensure that our special needs children receive equal economic opportunities upon entering the workforce,** the Hawaii State Teachers Association asks your committee to **support** this bill.

**SB-793**

Submitted on: 2/5/2021 4:13:18 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mike Golojuch, Sr.	Individual	Support	No

Comments:

I strongly support SB793. Please pass this bill.

Mike Golojuch, Sr.

Member, Labor Caucus, Democratic Party of Hawaii

Secretary, Rainbow Family 808

Council Chair  
Alice L. Lee

Vice-Chair  
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Gabe Johnson  
Kelly Takaya King  
Michael J. Molina  
Tamara Paltin  
Shane M. Sinenci  
Yuki Lei K. Sugimura



Director of Council Services  
Traci N. T. Fujita, Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 7, 2021

TO: The Honorable Senator Brian T. Taniguchi, Chair  
The Honorable Senator Les Ihara, Jr., Vice Chair

FROM: Gabe Johnson  
Councilmember

DATE: February 7, 2021

SUBJECT: **HEARING OF FEBRUARY 8, 2021; TESTIMONY IN SUPPORT OF SB 793, REPEALING THE EXEMPTION OF PEOPLE WITH DISABILITIES FROM THE MINIMUM WAGE**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is repeal the exemption of people with disabilities from the minimum wage.

First, I am a strong supporter of labor rights and in a State that has such a powerful history of helping workers get fair pay I find the present law wanting. People with disabilities deserve fair pay according to our laws and I rise in full support of raising wages for our persons with disabilities. The government and its people hold a social contract that must be fulfilled when making laws to protect those who need to be protected. This is such a case. Please have a moral compass and simply do what is right.

For the aforementioned reasons, I **support** this measure.

**SB-793**

Submitted on: 2/7/2021 1:09:01 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

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

Comments:

My name is Keisa Liu and I am writing in full support of **SB793**. Before I saw this bill, I had no idea that people with disabilities were exempt from minimum wage requirements.

Exemption from minimum wage requirements is able-ist at the most basic level. But it's more than that. Exempting people with disabilities from their right to minimum wage is sending a message to them that they are worth less than those who have none. That message is based in absolute fallacy.

The reality is that our community members with disability are incredibly important to our society. My personal experience forced me to look at things differently, to find new solutions to problems, and to check my own able privilege.

This bill is a recognition that who we were before is not who we want to be. Excluding others from basic rights because they are different than us is not who we want to be. Not in Hawai'i. That is why I whole-heartedly **support** SB793.

**SB-793**

Submitted on: 2/7/2021 12:47:43 PM

Testimony for LCA on 2/8/2021 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leimomi Khan	Testifying for Democratic Party of Hawaii, Hawaiian Affairs Caucu	Support	No

Comments:

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii supports SB793 and urges its passage as a measure to bring equality to wages among all workers.

Victoria Murray  
MCH Lend

Aloha senators,

I am for Bill SB793 to appeal minimum wage requirements because I believe that everyone with a disability deserves much more than subminimum wage to live off of. In the article "The truth of Disability That No One Talks About" states that people with disabilities are getting less money than those without disabilities. In "The truth of Disability that No One Talk about " 420,000 individuals with disabilities get \$2.15 per hour. By estimating how much an individual would make, working eight hour shifts, seven days a week for a full month would equate to around \$480 dollars a month. That amount is not nearly enough to sustain monthly expenses to live off of. That would not even cover the cost of living, bills or even other important things. Even with an average of \$783 through SSI and some people are not even given that amount.

Employers are not realizing or even taking into consideration of what people with disabilities want for their future and how to make that happen. They just have people with disabilities do food, filth, fetching, folding, filing, flower, festive and friendly which is very limiting and a blatant disregard to them. Employers are ashamed of people with disabilities and also think that people with disabilities are a burden and employ them just for the brand of "Inclusion." If employers really wanted inclusion then they would offer fair pay to people with disabilities.

That is why I am in support of Bill SB793. People with disabilities are capable, worthy and they can do anything that they set their mind to. They have the will and determination to do great things and I believe that we need to pay them according to the same pay as everyone else.

Thank you for your time and consideration





The Thirty-First Legislature  
Regular Session of 2021

THE SENATE

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

Senator Brian T. Taniguchi, Chair

Senator Les Ihara, Jr., Vice Chair

**Committee on Human Services**

Senator Joy A. San Buenaventura, Chair

Senator Les Ihara, Jr., Vice Chair

State Capitol, Conference Room 225

Monday, February 8, 2021; 3:00 p.m.

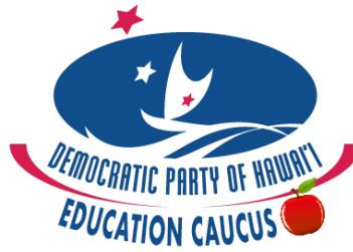
**STATEMENT OF THE LWU LOCAL 142 ON S.B. 793  
RELATING TO THE MINIMUM WAGE**

Mahalo Chair Taniguchi, Chair Buenaventura, Vice Chair Ihara, and members of the committees for scheduling S.B. 793.

The ILWU Local 142 **strongly supports** S.B. 793, which repeals the exemption of persons with disabilities from minimum wage requirements.

We believe everyone should earn the same minimum wage and no one should be discriminated against – period. This bill is far overdue, and we greatly appreciate it being scheduled. We strongly recommend passage of S.B. 793 so all workers are treated equally and fairly.

Thank you for the opportunity to testify.



## **SENATE BILL 793, RELATING TO THE MINIMUM WAGE**

FEBRUARY 8, 2021 · SENATE LABOR, CULTURE  
AND THE ARTS AND HUMAN SERVICES  
COMMITTEES · CHAIRS SEN. BRIAN T. TANIGUCHI  
AND SEN. JOY A. SAN BUENAVENTURA

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus **supports** SB 793, relating to the minimum wage, which repeals the exemption of persons with disabilities from minimum wage requirements.

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 cost of living returns to standard pre-COVID inflation of roughly 3 percent per year, then the minimum wage needed for a single individual to survive in Hawai'i in 2024 could be \$19.85/hour or \$41,288/year.

It is unconscionable, then, that state and federal laws include a loophole allowing disabled individuals to be paid less than the minimum wage. Current labor laws unjustly prohibit workers

with disabilities from reaching their full vocational and socioeconomic potential. Written in 1938, Section 14(c) of the Fair Labor Standards Act (FLSA) discriminates against people with disabilities by empowering the Secretary of Labor to grant Special Wage Certificates to employers, permitting them to pay disabled workers less than the federal minimum wage. This provision, mirrored in Hawai'i Revised Statutes §387-9, is based on the immoral assumption that disabled employees are less productive than their able-bodied coworkers. Successful employment models have emerged in the last seventy-five years to assist people with significant disabilities in acquiring the job skills needed for competitive work, giving lie to the theoretical framework for paying disabled employees a subminimum wage.

The subminimum wage model is an affront to the economic contributions of disabled workers. Data shows that less than 5 percent of the 400,000 workers with disabilities in segregated subminimum wage workshops will transition into competitive integrated work. Moreover, research shows that the subminimum wage model costs more, while promoting less productivity. In fact, workers paid a subminimum wage often must unlearn the habits they acquire in such workshops in order to obtain and carry out meaningful employment, which they repeatedly prove able to do. It is poor policy to reward failed programs with wage exemptions. After more than seven decades of the abhorrent subminimum wage practice, it is time to invest in proven, effective job models for disabled workers—such as “supported” or “customized” employment—that successfully advance positive, competitive, and integrated employment outcomes for individuals once deemed to be unemployable. Disabled workers deserve to be paid what they've earned, not discriminated against and cast into financial hardship.

**Kris Coffield · Chairperson, Democratic Party of Hawai'i Education Caucus ·**

**(808) 679-7454 · [kriscoffield@gmail.com](mailto:kriscoffield@gmail.com)**



## SB 793, RELATING TO THE MINIMUM WAGE

FEBRUARY 8, 2021 · SENATE LABOR, CULTURE  
AND THE ARTS AND HUMAN SERVICES  
COMMITTEES · CHAIRS SEN. BRIAN T. TANIGUCHI  
AND SEN. JOY A. SAN BUENAVENTURA

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports SB 793, relating to the minimum wage, which repeals the exemption of persons with disabilities from minimum wage requirements.

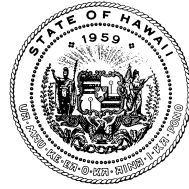
A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$35,143 to achieve self-sufficiency in Hawai'i in 2018, while a single parent with one child required \$59,428. Adjusted for inflation, DBEDT's reporting shows 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 cost of living returns to standard pre-COVID inflation of roughly 3 percent per year, then the minimum wage needed for a single individual to survive in Hawai'i in 2024 could be \$19.85/hour or \$41,288/year.

It is unconscionable, then, that state and federal laws include a loophole allowing disabled individuals to be paid less than the minimum wage. Current labor laws unjustly prohibit workers with disabilities from reaching their full vocational and socioeconomic potential. Written in 1938, Section 14(c) of the Fair Labor Standards Act (FLSA) discriminates against people with disabilities

by empowering the Secretary of Labor to grant Special Wage Certificates to employers, permitting them to pay disabled workers less than the federal minimum wage. This provision, mirrored in Hawai'i Revised Statutes §387-9, is based on the immoral assumption that disabled employees are less productive than their able-bodied coworkers. Successful employment models have emerged in the last seventy-five years to assist people with significant disabilities in acquiring the job skills needed for competitive work, giving lie to the theoretical framework for paying disabled employees a subminimum wage.

The subminimum wage model is an affront to the economic contributions of disabled workers. Data shows that less than 5 percent of the 400,000 workers with disabilities in segregated subminimum wage workshops will transition into competitive integrated work. Moreover, research shows that the subminimum wage model costs more, while promoting less productivity. In fact, workers paid a subminimum wage often must unlearn the habits they acquire in such workshops in order to obtain and carry out meaningful employment, which they repeatedly prove able to do. It is poor policy to reward failed programs with wage exemptions. After more than seven decades of the abhorrent subminimum wage practice, it is time to invest in proven, effective job models for disabled workers—such as “supported” or “customized” employment—that successfully advance positive, competitive, and integrated employment outcomes for individuals once deemed to be unemployable. Disabled workers deserve to be paid what they've earned, not discriminated against and cast into financial hardship.

**Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · [kris@imuaalliance.org](mailto:kris@imuaalliance.org)**



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of SB793  
RELATING TO MINIMUM WAGE.**

SENATOR BRIAN T. TANIGUCHI, CHAIR  
SENATE COMMITTEE ON LABOR, CULTURE AND ARTS

SENATOR LES IHARA, JR., VICE CHAIR  
SENATE COMMITTEE ON LABOR, CULTURE AND ARTS

SENATOR JOY SAN BUENAVENTURA, CHAIR  
SENATE COMMITTEE ON HUMAN SERVICES

Hearing Date: February 8, 2021

Room Number: VIA  
TELECONFERENCE

1 **Department Position:** The Department of Health (Department) **SUPPORTS** this Measure.

2 **Department Testimony:** The subject matter of this measure falls within the scope of the  
3 Department's Behavioral Health Administration (BHA) whose statutory mandate is to assure a  
4 comprehensive statewide behavioral health care system by leveraging and coordinating public,  
5 private and community resources. Through the BHA, the Department is committed to carrying  
6 out this mandate by reducing silos, ensuring behavioral health care is readily accessible, and  
7 person centered. The BHA's Developmental Disabilities Division (DDD) provides the following  
8 testimony on behalf of the Department.

9 Under current law, being "disabled" or "handicapped" allows an individual to be considered  
10 exempt from minimum wage within the State of Hawaii. Sub-minimum wage for persons with  
11 disabilities began as a transitional tool to employ individuals with disabilities. This practice  
12 began in the 1930s and was supposed to act as a stepping stone to full gainful employment. Sub-  
13 minimum wage was never intended to act as a safety net for individuals considered unable to  
14 work a minimum wage job. DDD finds sub-minimum wage as an employment tool to be archaic  
15 and detriment for individuals with disabilities to having the same rights as everyone else in

1 society. DDD is aware that there are non-profit agencies that currently hold 14c certificates.  
2 However, these agencies only do so because they are required under the procurement code to be  
3 considered a “Qualified Community Rehabilitation Program” (QCRP). The contracts that are  
4 given to QCRPs do not require the payment of sub-minimum wage.

5 New best practices of employment supports are customized and supported employment.  
6 Individuals with disabilities have the right to have opportunities to seek employment in  
7 integrated settings and to be paid competitive wages. The intent of employment supports is to  
8 maximize the individual’s skills, talents, abilities and interests to gain access to and maintain  
9 employment in the community, to advance in desired fields and to explore new employment  
10 options. Employment supports are provided in collaboration with Employment Specialists who  
11 have specialized training and the knowledge and competency to facilitate the coordination and  
12 delivery of customized and supported employment.

13 In a proclamation, recognizing October as National Disability Employment Awareness Month,  
14 Governor David Ige proclaimed Hawaii as an Employment First State. As an Employment First  
15 State, it is essential to provide equal rights and opportunities to individuals with disabilities to  
16 have access to competitive integrated employment.

17 Thank you for the opportunity to testify.

18

19

20

21

22