



STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHAHA

March 29, 2023

To: The Honorable Scot Z. Matayoshi, Chair,  
The Honorable Andrew Takuya Garrett, Vice Chair, and  
Members of the House Committee on Labor & Government Operations

Date: Wednesday, March 29, 2023

Time: 10:00 a.m.

Place: Conference Room 309, State Capitol, and via videoconference

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.C.R. NO. 44 AND H.R. 48 REQUESTING THE DEPARTMENT OF LABOR  
AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO DESIGN A  
SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE.**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The DLIR **supports the intent** of HCR44/HR48 that requests the DLIR to convene a working group to design a social insurance family leave program for the State. The measure may help move Hawaii forward in properly planning for the implementation of a family leave program.

The DLIR suggests a phased approach to designing a social insurance family leave program:

1. Working group procures legal analysis and develops implementation timeline and reports to the 2024 Legislature, and
2. Working group determines the costs for implementing & sustaining the program based on an actuarial analysis and provides report to the 2025 Legislature.

The department also suggests giving the chairperson the flexibility to invite other representatives to participate in the working group.

**II. CURRENT LAW**

Chapter 398, HRS, requires employers with one hundred or more employees to provide qualifying employees with four weeks of unpaid, job-protected leave to care for a sick family member or for the birth or adoption of a child. The employee may elect to use accrued paid leave for any part of the four weeks. The law does

not provide leave for the employee's own serious health condition. For a comparison of Hawaii & federal family leave laws see:

<https://labor.hawaii.gov/wsd/files/2019/09/Family-Leave-Comparison-Chart-rev-5-2018.pdf>

Chapter 392, HRS, requires employers to have TDI coverage which pays up to 26 weeks of partial wage replacement to eligible employees who are disabled from working due to non-industrial sickness or injury. Benefits are not payable to employees who are capable of working but take leave from work to care for another person. TDI does not offer job protection.

Chapter 393, HRS, requires employers to provide Hawaii employees, who suffer a disability due to non-work-related illness or injury, with adequate medical coverage for non-work-related illness or injury, protecting them from the high cost of medical and hospital care. Employers must provide health care coverage to employees who work at least twenty (20) hours per week and earn 86.67 times the current Hawaii minimum wage a month after four (4) consecutive weeks of employment.

### **III. COMMENTS ON THE HOUSE CONCURRENT RESOLUTION**

The DLIR supports efforts to convene a working group to design a social insurance family leave program for the state. A working group will help ensure that stakeholders, including the department, understand the complexities involved in the interplay of various labor laws and how a social insurance family leave program would interact with those laws.

The DLIR anticipates having to procure legal experts to evaluate the impacts to the Federal Fair Labor Standards Act (FLSA) and existing state laws on health benefits, temporary disability, and workers compensation<sup>1,2</sup>. Additionally, the department suggests this legal review include the Employee Retirement Income Security Act (ERISA), which broadly governs state laws governing employee benefit plans. Including an ERISA legal analysis would help ensure any proposed employee benefit plan is both compliant with ERISA and does not affect Hawaii's Prepaid Health Care Law, which has an exemption from preemption by ERISA.

The 2017 "Hawaii State Paid Family Leave Analysis Grant Report" suggested relying on existing state-held data and contracts as cost-effective options. However more research is needed to confirm state-held data and contracts are available for sharing. The suitability of the data will also need to be evaluated to determine how to tailor the population covered, the eligibility requirement(s), and the benefits of the program to use existing data.

This resolution would require an appropriation to procure the legal analysis suggested above as well as an actuarial study to determine a breakdown of the costs for implementing and sustaining a social insurance family leave program as

requested in the measure. In considering the complexities involved, including the procurement process, the DLIR suggests reports to the 2024 & 2025 Legislatures as outlined in I above.

- 1 See CFR for FLSA and FMLA: <https://www.ecfr.gov/current/title-29/subtitle-B/chapter-V/subchapter-C/part-825/subpart-B/section-825.206>
- 2 <https://www.ecfr.gov/current/title-29/subtitle-B/chapter-V/subchapter-C/part-825/subpart-B/section-825.209>



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

To: House Committee on Labor & Government Operations

Re: **HCR44/HR48 – Requesting the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state**

Hawai'i State Capitol and via videoconference  
March 29, 2023, 10:00 AM

Dear Chair Matayoshi, Vice Chair Garrett, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT** for **HCR44/HR48**. This resolution requests DLIR to convene a working group to design a social insurance family leave program for the state.

**HCAN Speaks! Board  
of Directors**

Liza Ryan Gill  
*President*

Nick Kacprowski, J.D.  
*Treasurer*

Mandy Fernandes  
*Secretary*

Teri Keliipuleole  
Jasmine Slovak  
Erica Yamauchi

The United States is the only developed country without national paid family leave.<sup>1</sup> To fill that gap, thirteen states plus the District of Columbia have passed paid family leave laws.<sup>2</sup> Hawai'i should join them, and the working group requested by this resolution would bring our state closer to that goal.

Paid family leave allows workers to take time off and still receive part of their income when they need to care for their own serious health needs or those of a loved one, or to bond with a new child.

Most of the states have paid family leave run it as a state-run benefit program, like Social Security, funded by small payroll deductions that go into a state fund. Then workers apply to this fund when they need to take leave. With this type of social insurance program, **employers do not need to pay employees while they are on leave**, since they are paid from the state fund.<sup>3</sup>

States with paid family leave have seen significant health, social and economic benefits.<sup>4</sup> Research that looks at how paid family leave is working in other states also finds that it is good for business, because employees are more productive and loyal.<sup>5</sup>

And statewide paid family leave helps even the playing field for small businesses. By enabling small businesses to provide paid family leave through a state program, they are able to better compete with large corporations for the best workers.

Mahalo for the opportunity to provide this testimony. Please pass this resolution.

Thank you,

Nicole Woo, Director of Research and Economic Policy

<sup>1</sup> <https://bipartisanpolicy.org/explainer/paid-family-leave-across-oecd-countries/>

<sup>2</sup> <https://bipartisanpolicy.org/explainer/state-paid-family-leave-laws-across-the-u-s/>

<sup>3</sup> <https://bipartisanpolicy.org/explainer/state-paid-family-leave-laws-across-the-u-s/>

<sup>4</sup> [https://www.abetterbalance.org/wp-content/uploads/2021/09/PFML\\_Health-Case\\_Fact-Sheet\\_11.30.21.pdf](https://www.abetterbalance.org/wp-content/uploads/2021/09/PFML_Health-Case_Fact-Sheet_11.30.21.pdf)

<sup>5</sup> [https://www.abetterbalance.org/wp-content/uploads/2021/09/PFML\\_Business-Case\\_Fact-Sheet\\_5.10.22.pdf](https://www.abetterbalance.org/wp-content/uploads/2021/09/PFML_Business-Case_Fact-Sheet_5.10.22.pdf)



## HCR 44/HR 48, REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO DESIGN A SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE

MARCH 29, 2023 · HOUSE LABOR AND  
GOVERNMENT OPERATIONS COMMITTEE · CHAIR  
REP. SCOT Z. MATAYOSHI

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports HCR 44/HR 48, which requests DLIR to convene a working group to design a social insurance family leave program for the state.

It is time to *finally* establish a family leave insurance program for Hawai'i's workers with up to 16 weeks of paid time off to address family needs, including keiki and kupuna care. Once effectuated, family leave insurance should also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages (ideally, up to 90 percent) to make the benefit accessible to everyone. Establishing the working group proposed by this resolution would bring us closer to realizing the vision of family leave for our islands that many other countries already enjoy.

**Hawai'i's workers need this benefit.** In a 2017 public poll, 62 percent of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawai'i Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave. Moreover, Hawai'i has the fastest growing aging population in the nation. Our senior (age 65+)

population is expected to grow 81 percent by 2030. Approximately 247,000 Hawai'i workers are caregivers for a family member.

**This program would help Hawaii's businesses.** Family leave insurance increases worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance program, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely than large businesses to report any negative effects.

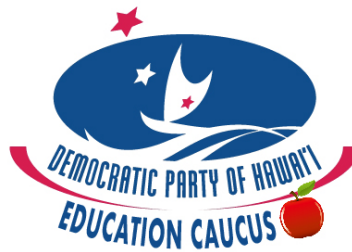
**Providing paid time off for family caregiving strongly promotes gender equity.** Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children, and aging parents. The lack of paid family leave exacerbates the gender wage gap for women and adversely impacts the economic stability of both male and female caregivers.

**We know this can work in Hawai'i.** Top experts on family leave have studied the usage, cost, and feasibility of implementing a family leave insurance program for the islands. These studies found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off to care for their families without facing financial ruin or jeopardizing their careers.

We need a program that is affordable and revenue-neutral. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for our state, **which found that the cost to cover sixteen weeks of leave for a worker making \$48,000 could be as little as \$58 annually if our state's TDI seems remains in effect, a little over one dollar per week to pay for invaluable financial security.**

It's a stark reality when employees face the dire choice of caring for newborn or sick children, spouses, or parents or working to sustain their family's income. We must offer a smart, affordable solution that empowers workers to care for their families, while preserving their incomes.

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



## **HCR 44/HR 48, REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO DESIGN A SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE**

MARCH 29, 2023 · HOUSE LABOR AND  
GOVERNMENT OPERATIONS COMMITTEE · CHAIR  
REP. SCOT Z. MATAYOSHI

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus supports HCR 44/HR 48, which requests the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state.

It is time to *finally* establish a family leave insurance program for Hawai'i's workers with up to 16 weeks of paid time off to address family needs, including keiki and kupuna care. Once effectuated, family leave insurance should also provide progressive wage replacement, allowing low-income workers to receive a higher percentage of their weekly wages (ideally, up to 90 percent) to make the benefit accessible to everyone. Establishing the working group proposed by this resolution would bring us closer to realizing the vision of family leave for our islands that many other countries already enjoy.

**Hawai'i's workers need this benefit.** In a 2017 public poll, 62 percent of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawai'i Family Leave Law (HFLL) applies

to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave. Moreover, Hawai'i has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawai'i workers are caregivers for a family member.

**This program would help Hawaii's businesses.** Family leave insurance increases worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance program, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely than large businesses to report any negative effects.

**Providing paid time off for family caregiving strongly promotes gender equity.** Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children, and aging parents. The lack of paid family leave exacerbates the gender wage gap for women and adversely impacts the economic stability of both male and female caregivers.

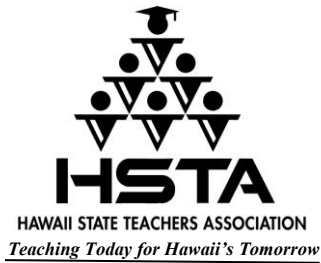
**We know this can work in Hawai'i.** Top experts on family leave have studied the usage, cost, and feasibility of implementing a family leave insurance program for the islands. These studies found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off to care for their families without facing financial ruin or jeopardizing their careers.

We need a program that is affordable and revenue-neutral. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for our state, **which found that the cost to cover sixteen weeks of leave for a worker making \$48,000 could be as little as \$58 annually if our state's TDI seems remains in effect, a little over one dollar per week to pay for invaluable financial security.**

It's a stark reality when employees face the dire choice of caring for newborn or sick children, spouses, or parents or working to sustain their family's income. We must offer a smart, affordable solution that empowers workers to care for their families, while preserving their incomes.

**Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · [kriscoffield@gmail.com](mailto:kriscoffield@gmail.com)**





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Osa Tui, Jr.  
President  
Logan Okita  
Vice President  
Lisa Morrison  
Secretary-Treasurer  
Ann Mahi  
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR &  
GOVERNMENT OPERATIONS

RE: HCR 44/HR48 - REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO DESIGN A SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE.

WEDNESDAY, MARCH 29, 2023

OSA TUI, JR., PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Matayoshi and Members of the Committee:

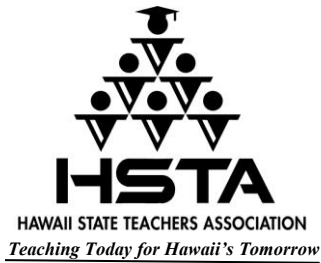
The Hawai'i State Teachers Association **supports HCR 44/HR48**, requesting the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state.

Our working families in Hawai'i are not adequately supported financially during times when they need to be caring for their loved ones, including their kupuna, their keiki, and their spouses, during illness.

Our state has identified asset limited, income constrained, employed (ALICE) households, which are households that with an income above the federal poverty level, but below the basic standard of living. According to the "ALICE in Hawai'i: 2022 Facts and Figures" report by the Aloha United Way, there has been a sharp increase in the number of households pushed below the poverty line; and in 2022, forty-four percent of the state's households have fallen below the ALICE threshold, as compared to forty-two percent of households in 2018.

We need the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state, so that next session we can pass a Paid Family Leave law to support our working families.

**In just the past 6 years, two analyses of the potential establishment of a paid family leave program in Hawai'i have been conducted and presented to the legislature. The 371 pages of these two reports include an economic analysis, Hawai'i-based eligibility modeling and cost breakdowns, a feasibility study, opinion polling and focus groups, and options for compliance and enforcement of a paid family leave program. This working**



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**group should use these studies to support their work to prepare for introducing a Paid Family Leave bill next session.**

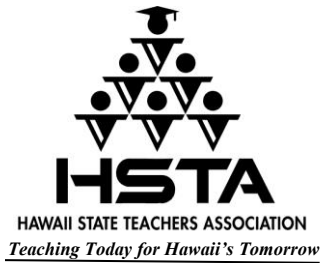
**The United States is the only developed country without national paid family leave. Thirteen states and the District of Columbia have also passed paid family leave laws, and the states with paid family leave have seen significant health, social, and economic benefits. Paid family leave is good for business—employees become more productive and loyal when they have it. We have many models to follow, studies have been completed, and we have a clear path now to create Paid Family Leave in Hawai'i.**

**Paid Family Leave is good for businesses. Workers who have access to paid family leave benefits are more likely to return to work after their leave is over.** In a 10-year study of the California family leave insurance program, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely than large businesses to report any negative effects. Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children, and aging parents. The lack of paid family leave exacerbates the gender wage gap for women and adversely affects the economic stability of both male and female caregivers.

**Paid Family Leave is also great for workers.** The majority of our workforce in Hawai'i cannot afford to take unpaid leave to care for a new child or assist a family member with a serious health condition. Hawai'i law only provides a four-week extension of unpaid leave to employees of large employers with more than one hundred employees. All workers deserve access to family leave, which is essential in allowing parents to care for newborn keiki and family members who are seriously ill. **Hawai'i has one of the fastest growing populations over the age of 65 in the nation.** From 2020 to 2030, the percentage of people aged 65 and over is expected to increase to 22.5 percent of the state's population. **Nearly one-third of workers who do not have access to family leave will need time off to care for an ill spouse or elderly parent.**

Teachers are fortunate to be covered by a collective bargaining agreement that provides paid sick leave. Over 40 percent of our workforce in Hawai'i; however, are not afforded the same benefit. Only 17 percent of workers in the U.S. have access to paid family leave through their employers.

Nearly a third of those who need but do not have access to family leave will need the time off to care for an ill spouse or elderly parent. Even though our teachers have paid sick leave, they must use this leave, if they have accumulated enough, for



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maternity leave. Many new teachers do not have enough sick leave accumulated, and thus, must choose between unpaid leave, or even leaving the profession, which many do. It is unfortunate. We need to retain our teachers and all our workers in Hawai'i.

What's more, the COVID-19 pandemic became a public health emergency that infected thousands of people, overburdened hospital capacities, medical supply shortages, and claimed the lives of numerous Hawai'i residents. Enacting a comprehensive family leave program would allow employees whose family members are impacted by serious health conditions to provide adequate care for their loved ones.

As a result, workers are often required to choose between providing for their families by working while sick or enduring a loss of income to recuperate. Families also must decide whether to send sick children to school or stay home and lose a day of pay. For low-income families, this financial bind can mean the difference between providing food and going hungry. When children are forced to attend class while ill, moreover, contagions may spread to other students, and not much learning occurs for the ill child who needs to recover from an illness.

**Finally, a public insurance model that includes all eligible workers in the state is affordable.** The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, **conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for our state, which found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be roughly \$58—a little over one dollar per week to pay for invaluable financial security. That is a small price to pay for the financial security guaranteed by 16 weeks of paid family leave.**

We need the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state. **The Hawai'i State Teachers Association asks you to please support this resolution.**



# HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law & Economic Justice  
In Support of HR48 – Requesting the Department of Labor and Industrial Relations to convene a  
working group to design a social insurance family leave program for the state.

House Committee on Labor & Government Operations  
Wednesday, March 29, 2023, 10:00 AM, Conference Room 309 & Via Videoconference

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Dear Chair Matayoshi, Vice Chair Garrett, and members of the Committee:

Thank you for the opportunity to provide testimony in support of HR48, which request the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state

Over the past six years, the state has conducted two analyses on the establishment of a paid family leave program in Hawai‘i and presented them to the Hawai‘i State Legislature. These reports have included an economic analysis, Hawai‘i-based eligibility modeling and cost breakdowns, a feasibility study, opinion polling and focus groups, options for compliance, and enforcement protocols. Hawai‘i is ready for a paid family leave program and working families need relief now.

The United States is the only developed nation that doesn’t provide its workers with paid family leave.<sup>1</sup> The federal Family and Medical Leave Act provides employees with only *unpaid* leave, and more than 40 percent of private sector workers are not covered by it. Meanwhile, the Hawai‘i Family Leave Law provides only four weeks of *unpaid* leave and also fails to cover around 40 percent of the state’s workforce. Hawai‘i’s temporary disability insurance program offers partial wage replacement to workers recovering from illness or injury, including childbirth, but no job protection. It’s also not available to non-biological parents or to family caregivers.

Low-wage workers are the least likely to have access to paid family leave, while they need the financial support of paid leave the most. With more and more of our kūpuna needing care, our state needs to create a safety net for families facing serious caregiving responsibilities. Although some individual companies offer employees paid leave, this benefit is typically only available to higher-income workers. Nationally, only 6 percent of low-wage workers have access to paid family leave.<sup>2</sup>

This lack of access to paid family leave has profound consequences for our working families. In Hawai‘i, two-thirds of children live in households where both parents work, and a quarter of live in

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<sup>1</sup> Livingston, Gretchen and Deja Thomas, “Among 41 countries, only U.S. lacks paid parental leave,” Pew Research Center, December 16, 2019, <https://www.pewresearch.org/fact-tank/2019/12/16/u-s-lacks-mandated-paid-parental-leave/>

<sup>2</sup> Rossin-Slater, Maya and Lindsey Uniat, “Paid Family Leave Policies And Population Health,” *Health Affairs*, March 28, 2019, <https://www.healthaffairs.org/doi/10.1377/hpb20190301.484936/full/>

households headed by a single parent, leaving no full-time caregiver at home.<sup>3</sup>

That is why it's crucial for Hawai'i to put into place a strong financial safety net for the hard-working families who desperately need support when faced with serious family caregiving responsibilities.

Paid leave laws are or will soon be in place in 11 states across the country and the District of Columbia.<sup>4</sup> Their programs operate under a social insurance system, with employees and/or employers across the state paying into a dedicated insurance fund. By spreading both risks and resources across all workers, this system provides benefits at a low per-person cost.

In order for such a program to be truly effective in Hawai'i, it is important for a paid family leave program to also follow a similar social insurance model. Examples of a social insurance approach are programs like Social Security and Medicare. Experts from both the left and the right agree that this is the best way to reduce costs to employers and overall administrative expenses, as well as prevent discrimination against those workers who are mostly likely to take leave. Even the right-leaning American Enterprise Institute prefers a social insurance program over an employer mandate to purchase family leave insurance or to self-insure.<sup>5</sup> Creating a similar system in Hawai'i would help keep workers, especially women, in the workforce, and at higher wages. It would also reduce reliance on public benefits.

Job-protected paid family leave provides job continuity, so workers are less likely to leave the labor force altogether. Research shows that mothers with access to family leave are more likely to return to work after the birth of a child and also more likely to return to the same or higher wages than they were earning before giving birth.<sup>6</sup> In California, where the program has been in effect for over 15 years, mothers of small children were found to be working more hours and at higher average incomes than similar women were before the law was passed.

Studies also show that women who receive paid leave after the birth of a child are 39 percent less likely to rely on public assistance and 40 percent less likely to rely on food stamps than women who do not take paid leave, and this trend is also present in men.<sup>7</sup>

Furthermore, a Hawai'i statewide poll found that 94 percent of respondents had either a "very favorable" (60 percent) or "somewhat favorable" (34 percent) perception of paid family leave. Nearly 6 in 10 (59 percent) said that they'd be willing to contribute a portion of their paycheck every month to a paid leave program, and the average amount that they said they'd be comfortable contributing is just over \$41 per month.<sup>8</sup> That's more than actuarial estimates of what such a system would cost workers in Hawai'i, as

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<sup>3</sup> Kids Count Data Center, "Hawai'i Indicators," Annie E Casey Foundation, accessed February 12, 2023, <https://datacenter.kidscount.org/data#HI/2/0/char/0>

<sup>4</sup> "State Paid Family & Medical Leave Insurance Laws," National Partnership for Women & Families," October 22, 2023, <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/state-paid-family-leave-laws.pdf>

<sup>5</sup> Mathur, Aparna, "An Employer Mandate vs a Social Insurance Model for Paid Leave," American Enterprise Institute, October 10, 2017, <https://www.aei.org/wp-content/uploads/2017/10/DC-Testimony-Mathur-1.pdf>

<sup>6</sup> "Paid Leave and Employment Stability of First-Time Mothers," Impaq International and Institute for Women's Policy Research, January 2017, <https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/IMPAQ-First-Time-Mothers.pdf>

<sup>7</sup> Houser, Linda, and Thomas P. Vartanian, "Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public," Rutgers Center for Women and Work, <https://www.nationalpartnership.org/our-work/resources/economic-justice/other/pay-matters.pdf>

<sup>8</sup> "Hawaii Family Leave Insurance Grant Analysis Report," Hawaii State Commission on the Status of Women and Hawaii Working Families Coalition, November 2017,

well as the experience of the states that are already running paid family leave programs.

Mahalo for the opportunity to testify.

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR &  
GOVERNMENT OPERATIONS

RE: HCR 44/HR 48 - REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO DESIGN A SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE.

WEDNESDAY, MARCH 29, 2023

JASON BRADSHAW, CHAIR  
DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Matayoshi and Members of the Committee:

The Democratic Party of Hawaii Labor Caucus **supports HCR 44/HR48**, requesting the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state.

Our state has identified asset limited, income constrained, employed (ALICE) households, which are households that with an income above the federal poverty level, but below the basic standard of living. According to the “ALICE in Hawai‘i: 2022 Facts and Figures” report by the Aloha United Way, there has been a sharp increase in the number of households pushed below the poverty line; and in 2022, forty-four percent of the state’s households have fallen below the ALICE threshold, as compared to forty-two percent of households in 2018.

We need the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state, so that next session we can pass a Paid Family Leave law to support our working families.

**In just the past 6 years, two analyses of the potential establishment of a paid family leave program in Hawai‘i have been conducted and presented to the legislature. The 371 pages of these two reports include an economic analysis, Hawai‘i-based eligibility modeling and cost breakdowns, a feasibility study, opinion polling and focus groups, and options for compliance and enforcement of a paid family leave program.**

**The United States is the only developed country without national paid family leave. Thirteen states and the District of Columbia have passed paid family leave laws, and the states with paid family leave have seen significant health, social and economic benefits. Paid family leave is good for business—employees become more productive and loyal when they have it. Hawai‘i should join the other states that have paid family leave programs and move to establish this important policy here, and this working group can help prepare us for next legislative session.**

This program would help businesses in Hawai‘i. **Family leave insurance increases worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In**

**a 10-year study of the California family leave insurance program, businesses reported that family leave had either a positive or a neutral effect on their business. Small businesses were less likely than large businesses to report any negative effects.** Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children, and aging parents. The lack of paid family leave exacerbates the gender wage gap for women and adversely affects the economic stability of both male and female caregivers.

Studies have been conducted and top experts in the area of family leave have studied the usage, cost, and feasibility of implementing a family leave insurance program for the islands. **These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off from work to care for their families without facing financial ruin or jeopardizing their careers.** We need a program that is affordable and designed to be revenue-neutral. **The Institute for Women’s Policy Research, which houses some of the nation’s top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for our state, which found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be roughly \$58—a little over one dollar per week to pay for invaluable financial security. Even if this amount is a few dollars more, based on inflation, it is a small price to pay for the financial security guaranteed by 16 weeks of paid family leave.** To keep the price down, it does need to be an “all-in” plan for all businesses and workers in the state.

The majority of our workforce in Hawai'i cannot afford to take unpaid leave to care for a new child or assist a family member with a serious health condition. Hawai'i law only provides a four-week extension of unpaid leave to employees of large employers with more than one hundred employees. All workers deserve access to family leave, which is essential in allowing parents to care for newborn keiki and family members who are seriously ill.

**Hawai'i has one of the fastest growing populations over the age of 65 in the nation. From 2020 to 2030, the percentage of people aged 65 and over is expected to increase to 22.5 percent of the state's population. Nearly one-third of workers who do not have access to family leave will need time off to care for an ill spouse or elderly parent.** In 2018, only 17 percent of workers in the United States had access to paid family leave through their employers.

Hawai'i must offer a smart, affordable solution that enables workers to take a small number of weeks out of the workforce and not have to choose between caring for their families or saving their jobs. We need the Department of Labor and Industrial Relations to convene a working group to design a social insurance family leave program for the state. The Democratic Party of Hawaii Labor Caucus **asks this committee to please support** this resolution.



**Chair Scot Matayoshi**  
**Vice Chair Andrew Garrett**

**House Committee on Labor & Government Operations**

**Wednesday, March 29, 2023**  
**10:00 AM**

**TESTIMONY IN SUPPORT OF HCR44/HR48 REQUESTING THE DEPARTMENT OF  
LABOR AND INDUSTRIAL RELATIONS TO CONVENE A WORKING GROUP TO  
DESIGN A SOCIAL INSURANCE FAMILY LEAVE PROGRAM FOR THE STATE**

Aloha Chair Matayoshi, Vice Chair Garrett, Members of the House Committee on Labor & Government Operations,

My name is Jun Shin. I am a recent graduate of the University of Hawai‘i at Mānoa, a soon to be worker, and a member of the Hawai‘i State Youth Commission, testifying as an individual in **SUPPORT** of **HCR44/HR48**, Requesting the Department of Labor and Industrial Relations to Convene a Working Group To Design a Social Insurance Family Leave Program for the State.

The majority of Hawai‘i's workers cannot afford to take unpaid leave to care for a new child or another family member. Hawai‘i law only provides a four-week extension of unpaid leave to employees of large employers with more than 100 employees. 4 weeks is definitely not enough, and this current law leaves out many, many workers who will at some point need to take care of a family member. All workers deserve access to family leave, which is essential in allowing parents to care for newborn keiki, each other, and other family members who are seriously ill.

It's also the case that Hawai‘i has one of the fastest growing populations over the age of 65 in the nation. From 2020 to 2030, the percentage of people aged 65 and over is expected to increase to 22.5% of the state's population. Making sure our kūpuna have the best quality of life in their retirement years after working hard their whole lives is the least that the state can do. Nearly one-third of workers who do not have access to family leave will need time off to care for an ill spouse or elderly parent. It's very, very clear at this point that workers and their families need adequate family leave in all stages of their lives!

While it is very disappointing that actual legislation has been stalled when so many working class families could use the financial security paid family leave guarantees, I sincerely appreciate that this resolution seeks to include policy experts for women and children, as well as representatives from organizations that directly represents, advocates for, and/or seeks to organize both union and non-union workers in the working group.

Please **PASS** **House Concurrent Resolution 44/House Resolution 48** out of your committee.

Mahalo for the opportunity to testify,

Jun Shin,  
State House District 23 | State Senate District 12  
Cell: 808-255-6663  
Email: [junshinbusiness729@gmail.com](mailto:junshinbusiness729@gmail.com)

**HR-48**

Submitted on: 3/26/2023 9:33:34 AM

Testimony for LGO on 3/29/2023 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
John Witeck	Individual	Support	Written Testimony Only

Comments:

Please pass this resolution to undertake a study for initiating an insurance program to provide paid family leave for Hawaii's working families.

Aloha, John and Lucy Witeck

**HR-48**

Submitted on: 3/26/2023 11:48:20 AM

Testimony for LGO on 3/29/2023 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Christy MacPherson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Matayoshi, Vice Chair Garrett and members of the House Committee on Labor and Government Operations,

I am in strong support of HR48. Our state has been dragging our feet on Paid Family Leave and letting Hawai'i's families down year after year. Thank you to those who are trying to find a path forward so we can finally pass this critical piece of legislation next year.

Mahalo for your consideration.

**HR-48**

Submitted on: 3/26/2023 8:14:38 PM

Testimony for LGO on 3/29/2023 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mary K Ochs	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support this resolution. I have previously submitted testimony in support of paid family leave for all workers.

Mahalo for your consideration.

Mary Ochs

**HR-48**

Submitted on: 3/28/2023 9:15:44 AM

Testimony for LGO on 3/29/2023 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Will Caron	Individual	Support	Written Testimony Only

Comments:

In the past six years, two analyses of establishing a paid family leave program in Hawai‘i have been conducted and presented to the Hawai‘i State Legislature. These reports include an economic analysis, Hawai‘i-based eligibility modeling and cost breakdowns, a feasibility study, opinion polling and focus groups, options for compliance, and enforcement protocols.

Working families need relief now. The United States is the only developed country that lacks a comprehensive paid family leave program. Thirteen states and the District of Columbia have passed paid family leave laws and the states with paid family leave have seen significant public health, social, and economic benefits. Paid family leave is good for business, too, as employees become more productive and loyal when they have access to it.

It is time for Hawai‘i to join the other states that have initiated paid family leave programs and enact this important policy to uplift the well-being of working families and their keiki.

**HR-48**

Submitted on: 3/28/2023 3:11:46 PM

Testimony for LGO on 3/29/2023 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rev. Samuel L Domingo	Individual	Support	Written Testimony Only

Comments:

Sent in testimony in support of HCR44 and strongly support HR48.