SHAN S. TSUTSUI LIEUTENANT GOVERNOR



LEONARD HOSHIJO DEPUTY DIRECTOR

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

830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813 <u>www.labor.hawaii.gov</u> Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

February 11, 2016

- To: The Honorable Mark Nakashima, Chair The Honorable Jarrett Keohokalole, Vice Chair, and Members of the House Committee on Labor & Public Employment
- Date: Friday, February 12, 2016
- Time: 10:00 a.m.
- Place: Conference Room 309, State Capitol
- From: Linda Chu Takayama, Director Department of Labor and Industrial Relations (DLIR)

## Re: H.B. No. 2605 Relating to Labor

## I. OVERVIEW OF PROPOSED LEGISLATION

The bill expresses concern over the large layoff from the impending closure of Hawaiian Commercial & Sugar Company (HC&S) and its adverse effect on Maui's economy.

HB 2605 proposes to appropriate out of the general funds the sum of \$850,000 or so much thereof as may be necessary for Fiscal Year (FY) 2016-17 to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of HC&S.

The department supports the bill provided it does not replace or adversely affect priorities identified in the Governor's Supplemental Budget request

## II. CURRENT LAWS

Federal funds currently available are projected to be insufficient to serve the large numbers scheduled for layoff from HC &S. The amount allocated for Maui's dislocated worker program under the federal Workforce Innovation and Opportunity Act (WIOA) this year is \$140,000, which includes funds for staff support and participant training. This may serve 30-40 individuals. A federal Dislocated Worker Training grant and Job-Driven National Emergency Grant,

HB 2605 February 12, 2016 Page 2

provides a total additional \$200,000 to serve about 25-35 dislocated workers on Maui County. The first grant expires June 30, 2016, and the second grant expires September 30, 2016.

## III. COMMENTS ON THE HOUSE BILL

The closure of HC&S will result in the termination of about 670 workers over the period from March to December 2016. DLIR is working with the International Longshore and Warehouse Union (ILWU), HC&S, Maui County, Maui Workforce Development Board, U.S. Department of Labor/Employment and Training Administration, and other agencies to gather data on workers' needs and provide services as appropriate with the funds available.

That data will provide the basis for developing grant proposals to seek additional federal funds to address workers' needs for retraining and facilitate their successful transition to other jobs. DLIR notes that funding decisions by the federal government are contingent on funds available as well as other national priorities, including natural disasters.

Therefore, this bill would be very useful to supplement limited federal funds to ensure that workers can access the services they need when they lose their jobs. On-the-job training (OJT), which this bill provides, would expand the number of workers that can benefit from this relatively costly but effective training option. OJTs involve reimbursing employers who hire and train new workers up to 50% or more of the wages paid for a limited period. This reimbursement is an incentive to employers to hire an employee who lacks all of the skills or experience needed.

DLIR supports this bill to assist the workers so they may continue to contribute to the economy of Maui, provided it does not replace or adversely affect priorities identified in the Governor's Supplemental Budget request.





345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Randy Perreira President

The Twenty-Eighth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment Telephone: (808) 597-1441 Fax: (808) 593-2149

Testimony by Hawaii State AFL-CIO February 12, 2016

## H.B. 2605 - RELATING TO LABOR

The Hawaii State AFL-CIO supports H.B. 2605 which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company (HC&S) on Maui.

When HC&S ends their sugar operations on Maui later this year, hundreds of employees will be permanently laid off and will face a very difficult and challenging time as they begin to seek new employment in completely different industries. Ultimately, many former HC&S employees will need to be trained and educated for new jobs and those who continue working in the agricultural industry may be required to learn completely new skill sets. Fortunately, H.B. 2605 will help many of these dislocated workers by providing on-the-job training to ensure they have the proper skills sets moving forward.

Thank you for the opportunity to testify.

espectfully submitted.

Randy Perreira President





P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 12, 2016

## HEARING BEFORE THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

TESTIMONY ON HB 2605: A BILL FOR AN ACT RELATING TO LABOR

> Room 325 5:00 PM

Aloha Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFBF is in strong **support of HB2605** seeking assistance for dislocated sugar workers.

The announcement by HC&S on the same day as a similar announcement by Hamakua Springs of their closure clearly demonstrates the challenges faced by commercial agriculture. Yet, Hawaii wants to see agriculture as part of their plan for increased self sufficiency and sustainability.

#### HFB strong

ly supports this measure to provide training assistance in adapting to job opportunities. Employees will need to find other jobs and require training to enhance their skills to become successful in new job opportunities. However, at the same time A&B's diversification plans will also require workers in the future. General horticultural knowledge which quite different from sugarcane will be needed.

We respectfully your strong support of this measure.

We respectfully respect your support of this important measure while addressing the concern to ensure that confidential business information is protected. We respectfully **urge the passage of HB2605**. Thank you for this opportunity to comment on this measure.

# Hawai'i Construction Alliance

P.O. Box 179441 Honolulu, HI 96817 (808) 348-8885

February 11, 2016

The Honorable Mark M. Nakashima, Chair The Honorable Jarrett Keohokalole, Vice Chair and members House Committee on Labor and Public Employment 415 South Beretania Street Honolulu, Hawai'i 96813

#### RE: Strong Support for HB2605, Relating to Labor

Dear Chair Nakashima, Vice Chair Keohokalole, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

We are strongly supportive of HB2605, Relating to Labor, which would appropriate \$850,000 to establish, administer, and support on-the-job training for individuals who are dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

We are proud to be a member of Mayor Arakawa's Sugar Operators Work Assistance Task Force, which was convened following the announcement that Hawaiian Commercial & Sugar Company would be shutting down sugar production in 2016. The purpose of the task force is "to assist the displaced sugar workers with their transition by identifying and coordinating available employment opportunities, programs and services (including but not limited to training, counseling, job placement, entrepreneurial programs, etc.) and safety net programs (including but not limited to financial counseling, mental health, food and mortgage assistance, etc.), and maximizing their availability to the displaced employees."

Through the task force, we have been collaborating with other stakeholders including DLIR and the Maui County Office of Economic Development to find ways to provide job training and retraining to the workers who will be laid off as a result of the HC&S closure. Additional funding will help to support these efforts and encourage businesses to hire and retrain these workers.

For the above reasons, we respectfully request your committee's favorable action on **HB2605**, **Relating** to Labor.

Mahalo,

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Tyler Dos Santos-Tam Executive Director Hawai'i Construction Alliance execdir@hawaiiconstructionalliance.org

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 11, 2016 1:02 PM
То:	LABtestimony
Cc:	warrenmcfb@gmail.com
Subject:	*Submitted testimony for HB2605 on Feb 12, 2016 10:00AM*

## HB2605

Submitted on: 2/11/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Warren Watanabe	Maui County Farm Bureau	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



822 Bishop Street Honolulu, Hawaii 96813 P.O. Box 3440 Honolulu, HI 96801-3440 www.alexanderbaldwin.com Tel (808) 525-6611 Fax (808) 525-6652

## HB 2605 RELATING TO LABOR

### PAUL T. OSHIRO MANAGER – GOVERNMENT RELATIONS ALEXANDER & BALDWIN, INC.

#### FEBRUARY 12, 2016

Chair Nakashima and Members of the House Committee on Labor & Public Employment:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on HB 2605, "A BILL FOR AN ACT RELATING TO LABOR." We support this bill.

Hawaiian Commercial & Sugar Company (HC&S) has been in operation for over 140 years and is Hawaii's last remaining sugar plantation. Regretfully, HC&S will be transitioning out of farming sugar by the end of this year, and will instead pursue a diversified agricultural model for the 36,000 acres presently in cultivation. For many years, A&B has made every possible effort to keep HC&S in operation and did so far longer than any other sugar company in the state. Unfortunately, we are unable to sustain the kind of financial losses that HC&S has realized over the past two years, with no significant improvement in performance anticipated in the future.

A&B is fully committed to support its impacted employees. The Company is providing a team of transition coordinators whose sole responsibility will be to assist HC&S employees on a one-to-one basis in finding alternate employment opportunities, training or re-education, as appropriate. The coordinators will identify and coordinate available Federal, State, County, and private job assistance programs, including employment counseling, job training, financial counseling, job placement, and education services. A&B also intends to offer all employees enhanced severance and benefit packages. Retirement benefits accrued by eligible employees, retirees, and past employees will not be affected by the transition out of sugar.

A&B supports this bill as it will provide funding to establish, administer, and support on-the-job training for HC&S employees. Any additional initiatives and funding authorizations that will assist in better preparing HC&S employees to meet the qualifications and requirements of new employment opportunities is greatly welcomed. Over the years, HC&S employees have exhibited a strong commitment and dedication towards their jobs and responsibilities, which has been an essential component in enabling HC&S to continue its sugar operations long after the closure of many of the other sugar plantations in Hawaii. We are certain that with proper training and retraining, the many positive attributes of HC&S employees will be of great benefit to other entities and businesses.

Based on the aforementioned, we respectfully request your favorable consideration on this bill.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 11, 2016 1:04 PM
То:	LABtestimony
Cc:	mnakahata@gmail.com
Subject:	*Submitted testimony for HB2605 on Feb 12, 2016 10:00AM*

## HB2605

Submitted on: 2/11/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

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

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 11, 2016 12:59 PM
То:	LABtestimony
Cc:	ashman.janet@gmail.com
Subject:	*Submitted testimony for HB2605 on Feb 12, 2016 10:00AM*

## HB2605

Submitted on: 2/11/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
J. Ashman	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Council Chair Mike White

Vice-Chair Don S. Guzman

Presiding Officer Pro Tempore Michael P. Victorino

Councilmembers Gladys C. Baisa Robert Carroll Elle Cochran Don Couch Stacy Crivello Riki Hokama



**COUNTY COUNCIL** 

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 11, 2016

Director of Council Services David M. Raatz, Jr., Esq.



TO: Honorable Mark M. Nakashima, Chair House Committee on Labor & Public Employment

> Honorable Gregg Takayama, Chair House Committee on Public Safety

FROM: Stacy Helm Crivello Councilmember

privello

DATE: February 12, 2016

SUBJECT: HEARING OF HB 2605, RELATING TO LABOR

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to appropriate funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

I **support** this measure for the following reasons:

- 1. While the transitioning to diversified agriculture on HC&S's lands may afford these workers future employment, these plans coming to fruition are years away. The ramifications of HC&S's shutdown are exponential and affect more than just the 675 workers directly impacted, therefore it is crucial to get these individuals back to work.
- 2. Training, retraining and workforce assistance programs offered by state and federal agencies are imperative in assisting the workers directly impacted as well as those indirectly impacted.
- 3. Because training of our displaced workers is critical and the available federal funds through the Job-driven National Emergency Grant to implement or expand job-driven training is expiring at the end of June, I implore this body to appropriate the necessary funding.

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

ALAN M. ARAKAWA Mayor



KEITH A. REGAN MANAGING DIRECTOR

#### DEPARTMENT OF MANAGEMENT

COUNTY OF MAUI



#### TESTIMONY OF KEITH REGAN, MANAGING DIRECTOR COUNTY OF MAUI

## BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Friday, February 12, 2016 10:00 a.m. Conference Room 309

#### HB 2605 RELATING TO LABOR

Honorable Mark M. Nakashima, Chair Honorable Jarrett Keohokalole, Vice Chair Honorable Members of the House Committee on Labor & Public Employment

Thank you for this opportunity to testify in **SUPPORT of HB 2605** which would appropriate funds to support job training for those impacted by the closure of Hawaiian Commercial & Sugar Company on Maui. As the Managing Director and the Chair of the Sugar Operators Work Assistance Task Force, I support this bill for the following reasons:

- 1. Hawaiian Commercial & Sugar Co. (H.C. & S.) recently announced that it will be closing our state's last sugar plantation and layoffs are expected to begin as early as March 7, 2016. It is expected that more than 650 employees will be impacted by the closure.
- 2. It is anticipated that, on March 7<sup>th</sup>, the first wave of layoffs will occur and approximately 170 employees will be impacted. Time is of the essence as we are quickly approaching the initial release date.
- 3. Job-driven training programs have a positive track record of providing jobs in many different industries, and, according to the U.S. Department of Labor Secretary Perez, these programs serve as a conduit by "connecting people who are ready to work with employers who are ready to hire."
- 4. The expansion of job-driven training programs will provide additional opportunities for dislocated H.C. & S. employees to find new employment by encouraging local businesses and organizations to increase existing apprenticeship programs or develop new apprenticeship programs.

#### For these reasons I support HB 2605.



TEENA M. RASMUSSEN Economic Development Director



OFFICE OF ECONOMIC DEVELOPMENT

COUNTY OF MAUI

2200 MAIN STREET, SUITE 305, WAILUKU, MAUI, HAWAII 96793. USA Telephone: (808) 2709-7710 • Facsimile: (808) 270-7995 • Email: economic.development@mauicounty.gov

February 11, 2016

Representative Mark M. Nakashima, Chair Committee on Labor & Public Employment Hawaii State Capitol, Room 406 Honolulu, HI 96813

RE: SUPPORTING Testimony for HB 2605 RELATING TO LABOR

Honorable Mark M. Nakashima and Committee Members:

Hawaiian Commercial & Sugar Company (HC & S) recently announced the closure of our state's last sugar operation. Consequently, the closure is expected to result in the layoff of more than 650 employees, about 2% of Maui's workforce, as stated in the measure. We are expressing strong support for HB 2605 to appropriate funding to assist the affected employees during their transition to new employment, whether it is in a related field or a new career pathway. We believe this added funding will lend much needed support to efforts to place these displaced employees with new employers who are ready to hire or to provide the necessary training for them to be employable in other industries. Thank you in advance for your favorable consideration of HB2605.

Leslie Wilkins, Chair, Maui County Workforce Development Board

Roland Prieto Executive Director, Maui County Workforce Development Board





THE HAWAII STATE HOUSE OF REPRESENTATIVES The Twenty-Eighth Legislature Regular Session of 2016

<u>COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT/</u> <u>COMMITTEE ON PUBLIC SAFETY</u> The Honorable Mark M. Nakashima, Chair (LAB The Honorable Gregg Takayama, Chair (PBS) The Honorable Jarrett K. Keohokalole, Vice Chair (LAB) The Honorable Kyle Yamashita, Vice Chair (PBS)

DATE OF HEARING:	Friday, February 12, 2016
TIME OF HEARING:	10:00 a.m.
PLACE OF HEARING:	State Capitol
	415 South Beretania Street
	Conference Room 309

#### **TESTIMONY ON HOUSE BILL 2605 RELATING TO LABOR**

By DAYTON M. NAKANELUA, State Director of the United Public Workers (UPW), AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 12,000 public employees, which include blue collar non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

HB2605 appropriates funds to establish, administer and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

The UPW supports this measure.

Thank you for the opportunity to submit this testimony.

The Twenty-Eighth Legislature Regular Session of 2016

HOUSE OF REPRESENTATIVES Committee on Labor and Public Employment Rep. Mark M. Nakashima, Chair Rep. Jarrett Keohokalole, Vice Chair State Capitol, Conference Room 309 Friday, February 12, 2016; 10:00 a.m.



#### STATEMENT OF THE ILWU LOCAL 142 ON H.B. 2605 RELATING TO LABOR

The ILWU Local 142 **strongly supports** H.B. 2605, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company (HC&S) on Maui.

The announcement by HC&S on January 6 that the sugar plantation on Maui would shut down by year's end came as a huge shock to everyone. The company's struggles over the years were many—low yield, financial losses, and challenges from water rights activists and caneburning opponents. Yet the company seemed to be plugging away, trying various crops and holding out hope for a turnaround. So the announcement of closure was not entirely unexpected but a shock nonetheless.

The closure of HC&S means the end of sugar in Hawaii. It also means the loss of employment for more than 600 workers, many of whom have only worked for HC&S their entire lives. Adjustment to a new job or a new career will be difficult, if not impossible, without a good deal of help.

Federal funds are currently available for dislocated workers (i.e., workers being laid off) to use for job training and other services. However, one federal grant is set to expire in June and cannot be extended. The other federal grant is set to expire in September, well before December 31 when the last half of the employees are expected to be laid off.

H.B. 2605 proposes to appropriate funds to assist HC&S workers with funding to allow the State Department of Labor and Industrial Relations to help these workers into a new job or career. The key program for this assistance is On-the-Job Training (OJT). Under this program, an employer with a job to offer enters into a contract with DLIR to hire an HC&S worker in a job sufficiently dissimilar to what he did for HC&S. The employer must be willing to train the new employee upon hire and agree to retain the employee in a permanent position. In exchange, the employer is entitled to be reimbursed 50% of the employee's wages for up to six months.

We see this as a win-win situation. The employer will benefit from an incentive to hire an HC&S worker and provide on-the-job training. The HC&S worker will have a chance at a new job in a new career path. The funds provided by the State will be an investment in workers who will be gainfully employed and not require government assistance for support and in the community's well-being with more individuals contributing to the economy.

The question will undoubtedly be raised: Why HC&S workers? There are several reasons.

First, HC&S is a large employer. Their employees are approximately two percent of the working population on Maui. The impact of this many people being unable to find suitable employment is potentially enormous to the community.

Second, the demographics of this population of workers requires additional assistance. From experience, we know that this has been the case in every other sugar plantation closure.

Third, the OJT program will allow HC&S workers to retain the income level they had been accustomed to. Instead of having to settle for multiple low-wage jobs in order to maintain the same level of income, through the OJT program, workers can secure stable, permanent positions that will sustain them and their families into the future.

The ILWU urges passage of H.B. 2605. Thank you for the opportunity to testify on this important measure.





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

## The Twenty-Eighth Legislature, State of Hawaii House of Representatives Committee on Labor & Public Employment



Testimony by Hawaii Government Employees Association

February 12, 2016

## H.B. 2605 - RELATING TO LABOR

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 2605, which is to address the pending unemployment and dislocation of employees due to the closure of Hawaiian Commercial & Sugar Company. Additionally, this bill seeks to offset the expiration of federal funding to establish, administer and support on-the-job training on Maui.

The transition of thousands of acres of farmland on Maui to diversified agriculture will affect the local economy in significant ways. As these employees lose their jobs, there will be economic hardship for them and the larger Maui community. Therefore, retraining Maui's workforce is critical to mitigating the effects of large scale job losses on the local economy.

Thank you for the opportunity to testify in support of H.B. 2605.

Respectfull v submitted,

Randy Pérreira Executive Director





#### **TESTIMONY IN SUPPORT OF HB2605 RELATING TO LABOR**

#### TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT Hawaii State Capitol, Conference Room 309 February 12, 2016 10:00a.m.

Dear Chair Mark M. Nakashima, Vice Chair Jarrett Keohokalole, and Members of Committee:

Thank you for this opportunity to testify in **STRONG SUPPORT of HB 2605** which would appropriate funds to support job training for those impacted by the closure of Hawaiian Commercial & Sugar Company (HC&S) on Maui.

This historical company began on Maui 145 years ago. It is the last remaining sugar plantation in our state. HC&S is a big part of our heritage that spurred ethnic diversity, culture, and the business community we have today. The fact that HC&S will stop farming sugar at the end of 2016 is a tragic loss for our community and our hearts, prayers and thoughts are with the employees during this difficult time.

Sadly, closings of sugar plantations are not new and many well know the struggles families face when this happens, especially in families where members have worked for the plantation for generations. On Maui, we are looking at a tsunami, with a direct hit of 675 HC&S jobs lost, along with a tidal wave of job losses in related industries from suppliers and service provides who counted on HC&S for a significant portion of their business, and the further waves that will ripple out to restaurants, retailers, etc. who will also be impacted. Many of these ancillary and smaller companies do not have the resources of HC&S to help transition their workers when laid off, so we ask that these funds be used to help both HC&S laid off workers and those in related industries who are affected by the closing of HC&S.

On Maui, the community is uniting in a volunteer effort to take action and the Maui Chamber of Commerce has joined roughly 40 other members on the Mayor's Sugar Operators Work Assistance Task Force to help.

Many of these loyal and dedicated workers affected have worked for the company for decades, have English as a second language, are not computer literate, need assistance putting together resumes and applying for other positions, and need significant retraining to qualify for the jobs available. This funding will be of great assistance in that regard as our community looks to address those needs, along with the employee's financial, health, mental health, and social needs. There is a lot to be done and any way the state can provide assistance is deeply appreciated.

Time is of the essence as the first lay-offs will take place on March 7<sup>th</sup>, with approximately 89 laid off on that date and a total of 170 individuals to be laid off in March. The sooner this bill can be passed, the more effective we and our state can be in meeting the tremendous needs as a result of the plantation's closing.

Therefore, we **wholeheartedly support HB 2605** and urge you to do so as well. We are already working to help connect displaced workers with available jobs, creating new apprenticeship programs, and serving where needed to make this as smooth of a transition as possible for our affected families, neighbors, and community members.

Mahalo for your kokua.

Sincerely, Damela Jumpap

Pamela Tumpap President

95 Mahalani Street • Suite 22A •Wailuku • Hawaii •96793 • t 808-244-0081 • f 808-244-0083 • MauiChamber.com



From: Sent:	mailinglist@capitol.hawaii.gov Thursday, February 11, 2016 7:13 PM
To:	LABtestimony
Cc:	mike@mauiymca.org
Subject:	Submitted testimony for HB2605 on Feb 12, 2016 10:00AM
Follow Up Flag: Flag Status:	Follow up Flagged

#### HB2605

Submitted on: 2/11/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

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

Comments: I support this bill and hope that you will as well. Without your help, Maui community members could suffer harsh economic times.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

The Twenty-Eighth Legislature Regular Session of 2016

HOUSE OF REPRESENTATIVES Committee on Labor and Public Employment Rep. Mark M. Nakashima, Chair Rep. Jarrett Keohokalole, Vice Chair State Capitol, Conference Room 309 Friday, February 12, 2016; 10:00 a.m.



#### STATEMENT OF ROBERTO ANDRION ON H.B. 2605 RELATING TO LABOR

My name is Roberto Andrion. I am currently a Business Agent for the ILWU Maui Division. I am on leave from Hawaiian Commercial and Sugar Company (HC&S) and, like more than 600 others, will be losing my job at HC&S before the year is over.

I have been employed by HC&S for 18 years as a machinist. Through the company's trades progression program, I became a journeyman machinist and the third generation in my family to work in the sugar industry. A few years ago, my son returned home from the mainland and began working for HC&S as an instrument technician. So four generations of Andrions have worked in sugar in Hawaii.

As an ILWU Business Agent, I represent about 600 bargaining unit members at HC&S. The ILWU has represented HC&S workers and others in the sugar industry for the past 70 years. The announcement that HC&S will shut down means that the last sugar plantation in Hawaii will close, and sugar cane will no longer be grown in Hawaii. It is sad for HC&S employees but sad for all of Hawaii.

Many of our members have worked at HC&S for decades and only know the sugar industry. Few have worked anywhere else. They will have a hard time finding new jobs, but they must because they are too young to retire. The new jobs will all be in another industry as there will be no more sugar after 2016.

For a lot of the workers, adjusting to a new industry and a new job may be hard. Some employers may not want to consider hiring a former sugar worker. The skills we have may not be transferrable to another industry or employer. The culture in a new place of work will be very different than what we know at the plantation.

As was explained to me, the on-the-job training (OJT) program proposed by this bill will give HC&S workers a leg up to be considered for jobs on Maui and a chance to prove themselves. Under the OJT program, an employer can receive 50% in wage subsidy for up to six months if they hire an HC&S worker and train them while they are working. I think my co-workers would appreciate this opportunity, probably much more than formal job training or education.

On behalf of my co-workers at HC&S, I respectfully ask this committee to pass this bill and move it forward. Thank you for listening to my testimony.

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 12, 2016 8:17 AM
To:	LABtestimony
Cc:	luly.unemori2@hawaiiantel.net
Subject:	Submitted testimony for HB2605 on Feb 12, 2016 10:00AM

#### HB2605

Submitted on: 2/12/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

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

Comments: Aloha Honorable Representatives, I am from Maui and I ask that you please support this bill. Although I am not an employee of HC&S, I feel for the 600+ families who are being significantly impacted by the closure of our island's sugar cane industry. The closure will also have a ripple effect, negatively affecting many other businesses and families. Please do all you can to minimize the hurt and stabilize our island's economy by helping these displaced workers transition to new jobs as soon as possible. Thank you very much.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:mailinglist@capitol.hawaii.govSent:Friday, February 12, 2016 10:19 AMTo:LABtestimonyCc:jwwalsh2@gmail.comSubject:Submitted testimony for HB2605 on Feb 12, 2016 10:00AM

#### HB2605

Submitted on: 2/12/2016 Testimony for LAB on Feb 12, 2016 10:00AM in Conference Room 309

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

Comments: I am in favor of this bill, as we need to do everything that we can as a community to support a transition of employment for the HC&S staff. Kind regards, Jim Walsh

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Alan M. Arakawa Mayor



KEITH A. REGAN MANAGING DIRECTOR

## **OFFICE OF THE MAYOR**

Ke'ena O Ka Meia COUNTY OF MAUI – Kalana O Maui



# TESTIMONY OF ALAN ARAKAWA, MAYOR COUNTY OF MAUI

## BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Friday, February 12, 2016 10:00 a.m. - Conference Room 309

## HB 2605 RELATING TO LABOR

Honorable Mark M. Nakashima, Chair Honorable Jarret Keohokalole, Vice Chair Honorable Members of the House Committee on Labor & Public Employment

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Thank you for this opportunity to testify in **STRONG SUPPORT of HB 2605** which would appropriate funds for the fiscal year 2016-2017 to establish, administer, and support on-the-job training for those individuals are dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

As mayor of Maui County I support this bill for the following reasons:

- 1. The purpose of this Act is to address the pending unemployment and dislocation of individuals due to the closure of HC&S and to offset the expiration of Job-Driven National Emergency Grant funds.
- 2. HC&S recently announced that it will be shuttering our state's last sugar plantation. Over 650 employees (about two percent of Maui's workforce) will lose their jobs. Layoffs are expected to begin as early as March 7, 2016, with approximately 170 employees losing their jobs.
- 3. Unemployment can greatly impact a person's life as families may not be able to make mortgage, rent and car payments. Parents may not be able to afford sending their children to pre-school, and students may no longer be able to afford school or college tuitions. Our communities will also be impacted as unemployed individuals will not be able to afford going to restaurants and will minimize spending at our local stores.
- 4. In 2014, the U.S. Department of Labor awarded the state a job-driven national emergency grant to implement or expand job-driven training programs for dislocated workers. However, these funds are limited and due to expire on June 30, 2016.

For these reasons I strongly support HB 2605.



# Testimony to the House Committee on Labor & Public Employment and Committee on Public Safety Friday, February 12, 2016 at 10:00 A.M. Conference Room 309, State Capitol



## RE: HOUSE BILL 2605 RELATING TO LABOR

Chairs Nakashima and Takayama, Vice Chairs Keohokalole and Yamashita, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2605, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 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.

The HC&S closure greatly impacted the state's economy and more significantly, Maui County's workforce. The Chamber supports HB 2605 as it is greatly needed to help those 600+ employees resulting from the plantation's closure. The funds provided in this bill to establish an on-the-job training program in Maui will not only help address the dislocated workers directly affected by the closure, but also help the local economy bounce back from this setback.

Thank you for the opportunity to testify.