

Testimony to the Senate Committee on Judiciary & Labor Wednesday, March 16, 2016 at 9:00 A.M. Conference Room 016, State Capitol

RE: HOUSE BILL 2722 HD 1 RELATING TO UNEMPLOYMENT

Chair Keith-Agaran, Vice Chair Shimabukuro, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") would like to **provide comments** regarding HB 2722 HD 1, which creates a temporary program providing additional benefits to unemployed workers by extending their unemployment insurance benefits.

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 Chamber understands the need to support unemployed workers and supports the intent of this bill to create a system to provide additional benefits to individuals who have exhausted regular benefits or have had their benefits expire. Our only concern is that it remains a general fund appropriation and is not funded by employers.

Thank you for the opportunity to testify.

The Twenty-Eighth Legislature Regular Session of 2016

THE SENATE Committee on Judiciary and Labor Senator Gilbert S.C. Keith-Agaran, Chair Senator Maile S.L. Shimabukuro, Vice Chair State Capitol, Conference Room 016 Wednesday, March 16, 2016; 9:00 a.m.

STATEMENT OF THE ILWU LOCAL 142 ON H.B. 2722, HD1 RELATING TO EMPLOYMENT SECURITY

The ILWU Local 142 **supports** H.B. 2722, HD1, which creates a temporary program providing additional benefits to unemployed workers by extending their unemployment insurance benefits and makes an appropriation.

Unemployment Insurance (UI) is provided to eligible workers for a maximum of 26 weeks of full benefits during a benefit year. The unemployment rate in Hawaii may be the lowest in the nation with the assumption that laid-off workers in Hawaii will have an easy time finding new jobs. However, jobs are not all the same.

Although the Unemployment Division expects UI claimants gradually (after about a month) to consider and even accept jobs that are not comparable to those they left, most workers will want to return to similar wage levels and working conditions as they had before they were laid off. H.B. 2722, HD1 will allow UI claimants a little more time (a maximum of 13 additional weeks) to find suitable gainful employment. They will be required to meet all UI requirements—i.e., be able and available for work, make three job contacts a week, not refuse any work, report in online on a biweekly basis—and may consider approved job training.

Funds for the additional benefits will come from the UI Trust Fund, which was healthy enough to reward employers recently with a "holiday" from contributions. Since this proposal is a temporary program for additional UI benefits, it is unlikely that the adequacy of the UI Trust Fund will be impacted.

The ILWU urges passage of H.B. 2722, HD1. Thank you for the opportunity to testify on this measure.



THE HAWAII STATE SENATE The Twenty-Eighth Legislature Regular Session of 2016

<u>COMMITTEE ON JUDICIARY AND LABOR</u> The Honorable Gilbert S.C. Keith-Agaran, Chair The Honorable Maile S.L. Shimabukuro, Vice Chair

DATE OF HEARING:	Wednesday, March 16, 2016
TIME OF HEARING:	9:00 a.m.
PLACE OF HEARING:	State Capitol, 415 South Beretania Street
	Conference Room 016

TESTIMONY IN SUPPORT OF HB2722, HD1 RELATING TO UNEMPLOYMENT

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, and 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.

HB2722, HD1 creates a temporary program providing additional benefits to unemployed workers by extending their unemployment insurance benefits. The bill also makes an appropriation for the program. UPW **strongly supports** this measure.

Thank you for the opportunity to submit this testimony.





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The Twenty-Eighth Legislature, State of Hawaii Hawaii State Senate Committee on Judiciary and Labor

> Testimony by Hawaii State AFL-CIO March 16, 2016

H.B. 2722, H.D.1 – RELATING TO UNEMPLOYMENT

The Hawaii State AFL-CIO supports H.B. 2722, H.D.1, which creates a temporary program providing additional benefits to unemployed workers by extending their unemployment insurance benefits.

When Hawaiian Commercial and Sugar (HC&S) ends their sugar operations on Maui 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. Creating a temporary program that provides additional unemployment benefits will financially help these workers continue to pay their mortgages, rent, and many other bills while they search for new jobs.

Thank you for the opportunity to testify.

espectfully/submitted,

Randy Perreira President





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Testimony to the Senate Committee on Judiciary & Labor Wednesday, March 16, 2016 9:00 a.m. State Capitol - Conference Room 016

RE: H.B. 2722 H.D. 1 – Relating to Unemployment.

Dear Chair Keith-Agaran, Vice-Chair Shimabukuro, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

We are in opposition to H.B. 2722 H.D. 1, which would create a temporary program which would provide additional benefits to unemployed workers after having exhausted regular unemployment benefits. The funds for this program would be withdrawn from the existing unemployment compensation trust fund, and from general funds.

Unemployment benefits are more than sufficient today, and currently, the State's unemployment rate is very low. Raising unemployment benefits would only serve to hurt Hawaii's business community and working people that pay for these benefits. Additionally, the Federal government already provides millions of dollars in federal money to help replace lost wages and cover expenses for job retraining, including tuition, books, and transportation. These federal dollars will give unemployed workers the resources to help support their families and find new jobs.

We are opposed to H.B. 2722 H.D. 1, and appreciate the opportunity to express our views on this matter.