



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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LATE TESTIMONY

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

Testimony by
Hawaii Government Employees Association

February 16, 2016


S.B. 3081 – RELATING TO LABOR

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B. 3081, which addresses the pending unemployment and dislocation of employees due to the closure of Hawaiian Commercial & Sugar Company and 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 S.B. 3081.

Respectfully submitted,


for Randy Perreira
Executive Director

HOUSE OF REPRESENTATIVES
Committee on Judiciary and Labor
Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
State Capitol, Conference Room 016
Tuesday, February 16, 2016; 9:00 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 3081
RELATING TO LABOR**

The ILWU Local 142 **strongly supports** S.B. 3081, 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 ILWU represents the majority of the workers at HC&S.

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 worked only 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.

S.B. 3081 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 at one time is potentially enormous to the community.

Second, the demographics of this population of workers require 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 S.B. 30814. Thank you for the opportunity to testify on this important measure.

Hawai'i Construction Alliance

LATE TESTIMONY

P.O. Box 179441
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February 15, 2016

The Honorable Gilbert S.C. Keith-Agaran, Chair
The Honorable Maile S.L. Shimabukuro, Vice Chair
and members
Committee on Judiciary and Labor
Hawai'i State Senate
Honolulu, Hawai'i 96813

RE: Strong Support for SB3081, Relating to Labor

Dear Chair Keith-Agaran, Vice Chair Shimabukuro, 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.

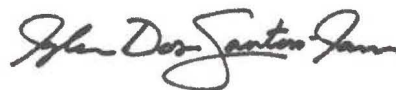
We are strongly supportive of SB3081, Relating to Labor, which would appropriate \$850,000 to establish, administer, and support on-the-job training for individuals who are dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui..

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 **SB3081, Relating to Labor**.

Mahalo,



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

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 15, 2016 10:25 PM
To: JDLTestimony
Cc:
Subject: *Submitted testimony for SB3081 on Feb 16, 2016 09:00AM*

SB3081

Submitted on: 2/15/2016

Testimony for JDL on Feb 16, 2016 09:00AM in Conference Room 016

Submitted By	Organization	Testifier Position	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.

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LATE TESTIMONY

Maui Hotel & Lodging

ASSOCIATION

Testimony of

Lisa H. Paulson

Executive Director

Maui Hotel & Lodging Association

on

SB 3081

Relating To Labor

COMMITTEE ON JUDICIARY AND LABOR

Tuesday, February 16, 2016, 9am

Conference Room 016

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

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes over 150 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA's membership employs over 20,000 local residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA is in support of SB 3081, 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.

Hawaiian Commercial & Sugar Company (HC&S) recently announced closure of our State's last sugar operation is expected to result in the layoff of more than 650 employees, approximately 2% of Maui's workforce. 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, provides a total additional \$200,000 to serve about 25-35 dislocated workers in Maui County.

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.

We respectfully request you consider passing SB 3081. Thank you for the opportunity to testify.

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
Tuesday, February 16, 2016; 9:00 a.m.

**STATEMENT OF ROBERTO ANDRION ON S.B. 3081
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 am in strong support of S.B. 3081.

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 hire 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 work. 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.