HAWAII STATE COMMISSION ON THE STATUS OF WOMEN



Chair LESLIE WILKINS

#### COMMISSIONERS:

SHERRY CAMPAGNA CYD HOFFELD JUDY KERN MARILYN B. LEE AMY MONK LISA ELLEN SMITH

Executive Director CATHY BETTS

Email: Catherine.a.betts@hawaii.gov

Visit us at: humanservices.hawaii.gov /hscsw/

235 S. Beretania #407 Honolulu, HI 96813 Phone: 808-586-5758 FAX: 808-586-5756 March 22, 2016

To: Senator Jill Tokuda, Chair Senator Donovan Dela Cruz, Vice Chair Members of the Senate Committee on Ways and Means

From: Cathy Betts, Executive Director, Hawaii State Commission on the Status of Women

Re: <u>Testimony in Strong Support of SCR 86/SR 57</u>

On behalf of the Hawaii State Commission on the Status of Women, I would like to thank this Committee for hearing these resolutions, which call for a task force to examine the benefits and costs of a state paid family leave program. Paid family leave has been identified as one of the major means to closing the gender wage gap, which is not set to close in Hawaii until 2059. Each year, Hawaii's women lose 1.4 billion dollars annually due to the wage gap. A lack of paid family leave ensures inequality for women, who still disproportionately serve as family caregivers while also serving as the sole or primary breadwinner in 2/3 of working families. In states with paid family leave, there has been an additional increase in men being able to take paid time off to become caregivers, thereby allowing more women to remain in the workforce if they so choose.

This legislature has created family leave and caregiving task forces in the past. In 2007, the Joint Legislative Committee on Family Caregiving was created to develop a "comprehensive public policy to strengthen support for family caregivers" via Act 204. The committee's mandate included exploring the establishment of a paid family leave program under the state temporary disability insurance law, similar to the program established in California. <u>The preliminary needs assessment data identified "wage replacement benefits as an appropriate and effective means of supporting family caregivers</u>." Other findings included: 55% of family caregivers are employed and 77% had to take off time from work to deal with caregiving responsibilities.

In 2008, Act 243 required the Joint Legislative Committee on Aging in Place to explore the provision of wage replacement benefits to employees who needed to take time off from work to care for a family member with a serious health condition. From that point, the Family Leave Working Group was established as part of the Joint Legislative Committee on Aging in Place to explore wage replacement benefits. The Working Group endorsed short and long term concepts incuding: the "establishment of a state sponsored long term care insurance program through employee payroll deductions."<sup>12</sup>

If passed, this resolution would call for an actuarial and a thorough examination of administrative, technological, and start up costs to implement a state paid family leave program. We have ample data and evidence from states that have implemented paid family leave programs and we have dedicated community stakeholders who can also assist with an actuarial and feasibility analysis. The Commission supports these resolutions and urges their passage.

<sup>&</sup>lt;sup>1</sup> Paid Family Leave Working Group of the Joint Legislative Committee on Aging in Place, Report to the Legislature, pursuant to HB 2520 (Act 243), Regular Session of 2008.



# Testimony to the Senate Committee on Ways & Means Tuesday, April 5, 2016 at 1:00 P.M. Conference Room 211, State Capitol

## **RE: SENATE CONCURRENT RESOLUTION 86**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports** SCR 86, which requests the convening of a paid family leave task force to examine the benefits and costs of a potential paid family leave program in Hawaii.

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.

We appreciate the convening of a task force to better understand the efforts to set up this program and its effects on business and employees in the state. We ask that the Chamber be included as a member of the task force to provide input from a business organization perspective.

Thank you for the opportunity to provide testimony.

- TO: SENATE COMMITTEE ON WAYS AND MEANS Senator Jill Tokuda, Chair Senator Donavan Della Cruz, Vice Chair
- FROM: Eldon L. Wegner, Ph.D., Hawaii Family Caregiver Coalition
- HEARING: Tuesday 1:00 pm April 5, 2016 State Capitol Room 211
- **SUBJECT**: SCR 86 SD 1, SR 57 SD 1, Requesting the convening of a paid family leave task force to examine the benefits and costs of a potential paid-family leave program in Hawaii.

**POSITION:** The Hawaii Family Caregiver Coalition supports the intent of SCR 86 and SR 57 to create a taskforce with appropriate persons to explore details and to pursue the needed actuarial study in order to proceed with a viable proposal in the 2017 Legislative Session. We suggest the measure be amended to include needed funds.

#### **RATIONALE:**

I am offering testimony on behalf of the Hawaii Family Caregiver Coalition (HFCC), which is a coalition of agencies and individuals committed to addressing the needs and improving the ability family caregivers to provide quality care for their frail and disabled loved ones.

- The Hawaii Family Caregiver Coalition **strongly supported SB 2961** which proposed a family leave program with partial wage replacement for up to 12 weeks for an employee caring for an ill or disabled person of any age. The program would be totally funded by contributions from the wages of employees into a trust fund administered by the Department of Labor and Industrial Relations.
- The majority of family caregivers are also in the workforce and their employment is necessary to support the needs of their families as well as to assure that they will have sufficient social security and savings to support themselves in retirement.
- Although federal and state policies currently enable family caregivers to receive unpaid family leave, employed caregivers in Hawaii currently have no financial assistance when they must take leave to provide care for family members.
- The Trust fund proposed by SB 2961 would enable family caregivers to receive partial wage replacement when taking short periods of leave to deal with crises which occur in their families while making it possible to continue their employment and avoid the negative financial consequences of dropping out of the workforce.
- Paid family leave for caring for family members has been established in a growing number of states, with California having 10 years of its successful program, which has benefitted families as well as employers. Paid leave is also found in most developed countries. We believe that providing a mechanism for this support for family caregiving is feasible and overdue in Hawaii.

The Twenty-Eighth Legislature Regular Session of 2016

THE SENATE Committee on Ways and Means Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair State Capitol, Conference Room 229 Tuesday, April 5, 2016; 1:00 p.m.

#### STATEMENT OF THE ILWU LOCAL 142 ON SCR 86 / SR 57, SD1 REQUESTING THE CONVENING OF A PAID FAMILY LEAVE TASK FORCE TO EXAMINE THE BENEFITS AND COSTS OF A POTENTIAL PAID FAMILY LEAVE PROGRAM IN HAWAII

The ILWU Local 142 supports SCR 86 and SR 57, SD1, which would convene a task force to examine the benefits and costs of a paid family leave program. Although this is not the first time that a task force on this issue will be convened, we hope it will have positive outcome.

The Family and Medical Leave Act (FMLA) and the Hawaii Family Leave Law (HFLL) provide job protections for workers who take family leave, but leaves under both laws are unpaid. To be sure, having one's job protected while on unpaid leave is a benefit, but receiving pay during the leave will make the decision to take family leave much easier.

In Hawaii, the decision to use paid leave, such as vacation leave, concurrent with unpaid leave is an option that the employee can make. However, prior to a change in the law requiring the decision to be made by the employee alone, employers routinely made employees take paid leave concurrent with unpaid leave. Thus, for a single situation, say bonding with a newborn, unpaid leave was applied at the same time that paid vacation or sick leave was applied. In truth, most workers will permit this application as the only way to be paid while taking family leave.

Contrary to the sixth paragraph of the resolution, FMLA leave and HFLL leave are run concurrently— HFLL is not "additional." The task force may want to look at proposing amendments to the law regarding the application of HFLL leave <u>after</u> FMLA leave is exhausted.

The ILWU strongly supports paid family leave and is hopeful that a task force will propose legislation that will finally address this critical need. Women as primary caregivers for children and elderly and disabled family members are particularly impacted by the lack of paid leave both in their present situations and when they seek to retire.

The ILWU urges adoption of SCR 86 and SR 57, SD1. Thank you for considering our testimony on these resolutions.

From:	mailinglist@capitol.hawaii.gov		
To:	WAM Testimony		
Cc:	laurie.field@ppvnh.org		
Subject:	*Submitted testimony for SCR86 on Apr 5, 2016 13:00PM*		
Date:	Monday, April 04, 2016 10:51:07 AM		

### <u>SCR86</u>

Submitted on: 4/4/2016 Testimony for WAM on Apr 5, 2016 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Field	Planned Parenthood Votes Northwest and Hawaii	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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#### April 5, 2016

- To: Senator Jill Tokuda, Chair Senator Donovan Dela Cruz, Vice Chair and Members of the Committee on Ways and Means
- From: Jeanne Y. Ohta, Co-Chair
- RE: SCR 86 SD1/SR 57 SD1Requesting the convening of a paid family leave taskforce Hearing: Tuesday April 5, 2016, 1:00 p.m., Room 211

**POSITION: Strong Support** 

The Hawai'i State Democratic Women's Caucus writes in strong support SCR 86 SD1/SR 57 SD1 requesting the convening of a paid family leave taskforce to examine the benefits and costs of a potential paid family leave program in Hawaii.

The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls it is because of this mission that the Caucus supports the formation of a taskforce to study the potential of a paid family leave program.

Paid leave makes fiscal sense for small and large businesses because employers are not responsible to pay for the leave time. Paid leave is funded by employees.

We have an economy where many mothers are in the workforce. Nearly 66% of all children in the U.S. have two parents who work or are supported by a single parent. In addition to childcare, by 2020, about 40 percent of the workforce will be providing care for older parents.

It is alarming that nearly 25% of adults in the U.S. have lost or job or been threatened by job loss for leave due to illness and 11% of U.S. workers have access to paid family leave through their employers.

Women, as primary caregivers of infants, children and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave. Women are the primary or co-breadwinners for almost two-thirds of families in the U.S., so women's income lost during maternity leave has significant economic impact on her entire family. Many grandmothers are also caring for grandchildren.

Women in Hawai'i can apply for TDI after giving birth, but it is time-limited. Fathers are not eligible to apply. In Hawai'i the majority of families are "working families" who cannot afford to take unpaid leave. Access to paid family leave alleviates economic instability for struggling families by ensuring job security.

We need legislation because in Hawai'i, only 88 businesses employ 100 or more employees within the state. Thus, only employees from these 88 business are eligible for 4 weeks unpaid leave guaranteed by state law.

We ask the committee to pass this measure and thank the committee for the opportunity to provide testimony.