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

Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

March 31, 2017

- To: The Honorable Jill N. Tokuda, Chair, The Honorable Donovan M. Dela Cruz, Vice Chair, and Members of the Senate Committee on Ways and Means
- Date: Friday, March 31, 2017
- Time: 9:30 a.m.
- Place: Conference Room 211, State Capitol
- From: Linda Chu Takayama, Director Department of Labor and Industrial Relations (DLIR)

# Re: H.B. No. 213 HD1 SD1 Family Leave

# I. OVERVIEW OF PROPOSED LEGISLATION

HB213 HD1SD1 extends protected job status to the care of a sibling or upon the death of a child, spouse, reciprocal beneficiary, sibling, or parent, under the Hawaii Family Leave Law (HFLL), chapter 398, Hawaii Revised Statutes (HRS).

DLIR offers comments on the measure and defers to the Department of Human Resources Development and the other jurisdictions on the content.

## II. CURRENT LAW

The HFLL, chapter 398, HRS, provides four weeks of protected leave (distinct from paid leave) for employees of employers with 100 or more employees, on the birth or adoption of a child or to care for a family member who is seriously ill.

## III. COMMENTS ON THE HOUSE BILL

HFLL currently provides protected leave from a job if a family member needs care because of a serious illness. This measure includes siblings as eligible family members that would allow a worker to take protected leave.

In addition, the measure adds protected leave for the death of the employee's child, spouse, sibling, reciprocal beneficiary or parent. A common inquiry to the Wage

H.B. 213 HD1SD1 March 31, 2017 Page 2

Standards Division is when an employee who has taken protected leave to care for a family member and has not exhausted the leave when the family member dies, whether the employee can use family leave. Employees cannot use family leave after the death of a family member.

DLIR notes that this proposal expands opportunity for paid leave in conjunction with the federal Family and Medical Leave Act (FMLA). Employers with fifty or more employees are required to give employees twelve weeks of protected leave for the birth of a child, or care of family member with a serious illness, in addition to the employee's own illness under the FMLA. Where reasons for leave are covered under both the federal and state jurisdictions, the leave is taken concurrently.

Under HFLL, this measure would expand the available protected leave under some circumstances to sixteen weeks in a twelve-month period. For example, if a father dies, the employee could take up to four weeks of HFLL, and then if the same employee has to take time to care for the serious illness of the mother, the employee would be entitled to twelve more weeks of protected leave in a year.





RANDY PERREIRA, Executive Director • Tel: 808 543 0011 • Fax: 808 528 0922

The Twenty-Ninth Legislature, State of Hawaii The Senate Committee on Ways and Means

Testimony by Hawaii Government Employees Association

March 31, 2017

# H.B. 213, H.D. 1, S.D. 1 - RELATING TO FAMILY LEAVE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 213, H.D. 1, S.D. 1 which permits an employee to take family leave in order to care for the employee's sibling with a serious health condition or upon the death of an employee's child, spouse, reciprocal beneficiary, sibling or parent.

Currently, Chapter 398-3 of the Hawaii Revised Statutes allows for an employee to use four weeks of family leave upon the birth or adoption of a child or to care for a child, spouse, reciprocal beneficiary, or parent with a serious health condition, but does not include care for a sibling. In some cases, an individual may only have a sibling who can provide care during illness. We strongly support legislation that would allow employees the ability to utilize Family Leave to care for all of their family members – parents, spouses, children and siblings.

Additionally, our collective bargaining agreements contain contractual provisions relating to bereavement leave. Should this measure pass, we respectfully request that the benefits provided in our agreements are not diminished, impaired or adversely affected.

Thank you for the opportunity to provide testimony in support of H.B. 213, H.D. 1, S.D. 1.

Respectfully submitted.

Randy Perreira Executive Director



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- To: Sen. Jill N. Tokuda, Chair Sen. Donovan M. Dela Cruz, Vice Chair Members of the Committee on Ways and Means
- From: Victor Lim, Hawaii Restaurant Association
- Subj: HB 213, HD1, SD1 Relating to Family Leave

Date: March 29, 2017

The Hawaii Restaurant Association representing about 3,500 restaurants with about 90,000 food service jobs here opposes HB 213 HD 1 that allows an employee to take family leave in order to care for an employee's sibling.

We believe that the addition of siblings to the Hawaii's Family Leave law will be overreaching and will result in additional costs to most businesses that are already struggling to survive today.

We have been trying to adjust with the current scheduled minimum wage increases and at the same time paying for the double digit increases in our Pre-Paid Healthcare Law where our employers carry most of the cost of the premiums because we can only charge our employees no more than 1.5 % of Gross Wages. All of these results in menu price increases meeting with consumer resistance resulting in a very tough year for the restaurant industry here in Hawaii.

For all of the above reasons, we urge you to not pass this bill out of your committee and thank you for allowing us to share our industry's point of view.

Aloha.



1200 Ala Kapuna Street + Honolulu, Hawaii 96819 Tel: (808) 833-2711 + Fax: (808) 839-7106 + Web: www.hsta.org

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# TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

# RE: HB 213, HD 1, SD 1 – RELATING TO FAMILY LEAVE

FRIDAY, MARCH 31, 2017

COREY ROSENLEE, PRESIDENT HAWAII STATE TEACHERS ASSOCIATION

Chair Tokuda and Members of the Committee:

The Hawaii State Teachers Association <u>supports HB 213, HD 1, SD 1</u>, relating to family leave.

Teachers are fortunate to be covered by a collective bargaining agreement that provides paid sick leave. Over 40 percent of Hawai'i's workforce, however, is not afforded the same benefit. 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 or not 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 or going hungry. When children are forced to attend class while ill, moreover, contagions may spread to other students.

It's a chain reaction. Multiple families may be become affected. Entire classes may see their health and learning suffer. Providing paid sick leave that may be extended to family members will break the cycle of illness by allowing families to care for themselves and their children without loss of pay.

Sickness should not become a debt sentence. To better care for families living paycheck to paycheck, the Hawaii State Teachers Association asks your committee to <u>support</u> this bill.



Executive Officers: John Erickson, Young's Market Company –Chair Beau Oshiro, C&S Wholesale – Vice Chair Toby Taniguchi, KTA Superstores – Secretary/Treasurer John Schilf, Rainbow Sales and Marketing - Advisor Stan Brown, Acosta – Advisor Paul Kosasa, ABC Stores – Advisor Barry Taniguchi, KTA Superstores – Advisor Derek Kurisu, KTA Superstores – Immediate Past Chair Lauren Zirbel, Executive Director

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TO: COMMITTEE ON WAYS & MEANS Senator Jill N. Tokuda, Chair Senator Donavan M. Dela Cruz, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: Friday, March 31, 2017 TIME: 9:30 a.m. PLACE: Conference Room 211

RE: HB213, HD1, SD1 (Family Leave) Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

While we understand the intent of this measure, we have several concerns.

First, we believe that including siblings in Hawaii's family leave law is overreaching and will result in additional costs that will negatively affect local businesses and our communities. The bill lacks a definition of "sibling" and there is no clarification with regard to important considerations such as age, physical and cognitive abilities, and income. Is it reasonable to mandate leave for an employee whose sibling has a spouse and grown children who are able to provide care under current law?

Second, having personally lost family members, we humbly understand the difficulties faced following the death of a loved one. At the same time, we are concerned that adding another category to Hawaii's family leave law will negatively impact local businesses and our communities by forcing them to bear the additional costs needed to fulfill this proposal.

Please keep in mind that profit margins are already quite sparse for grocers, which generally operate at a profit margin of around one percent. Hawaii's food prices can be up to seventy percent more than the national average and any additional costs will drive up grocery prices, punish low-income consumers and burden businesses.

Thank you for the opportunity to testify.

TO: <u>Senate Committee on Ways & Means</u>
FROM: Anthony Lenzer, PhD
RE: <u>HB 4 SD ! A d HB 213 SD 1</u>
HEARING: Friday, March 31, 2017, 9:30 .m. Conference Room 211, State Capitol

Senator Tokuda and Committee Members:

On behalf of the Policy Advisory Board for Elder Affairs (PABEA) I am writing to offer comments on HB 4 HD 1, as well as HB 213 HD 1, both related to Family Leave. PABEA is an advisory body to the Executive Office on Aging (EOA) re issues related to aging, and serves as an advocate for Hawaii's Kupuna and their families. PABEA's views do not necessarily reflect those of the EOA.

We strongly support enactment of a Hawaii Paid Family Leave law, but have concerns about these measures as written. HB 4 HD 1 only requires employers to provide a minimum amount of paid sick leave, an amount related to the number of hours worked. We support a law which allows twelve weeks of paid leave. HB 213 HD 1 extends the scope of Hawaii's current law to allow unpaid time off to care for a sibling, or upon the death of a family member. While we have no objection s these changes, we recommend that the Committee consider the stronger and more comprehensive policy described in HB1362.

It is time for Hawaii to pass a strong Family Leave Insurance policy. Employees need subsidized time off of work to care for a newborn, newly adopted or foster child, or an ill family member. Paid Family Leave guarantees that employees can cover basic costs of living, and also provide care to family members when they need it most.

Four other states (California, New Jersey, Rhode Island, and New York) have passed laws that provide employees with paid family leave for parenting and caregiving for family members. A 10 year study of the California law found increased employee loyalty, a healthier workforce, longer breastfeeding rates, lower rates of postpartum depression, and more gender equity in child care and caregiving. Businesses report little negative consequences after the law was enacted, and laws such as this do not impose additional financial burdens on the State.

Under federal and state law, the only leave allowed to families with a newborn child or unexpected caregiving responsibilities is <u>unpaid</u> leave. Hawai'i has <u>no paid family leave</u>, unless an employer willingly provides it.

## Ideally, Legislative Proposals for Paid Family Leave Should Include:

•Universal paid family leave--- all employees pay in, and all employees can take out.

- •A broad definition of family to encompass Hawaii's cultural views of the term "family."
- •Wage replacement program for caregivers. More progressive wage replacement for lower income workers is preferred, in order for low income workers to actually be able to utilize the leave.
- •A cap on wage replacement so higher income workers do not exhaust the fund.
- •At least 12 weeks. Biological mothers should not be foreclosed from also using TDI.

Thank you for the opportunity to testify on this important subject.



# Testimony to the Senate Committee on Ways & Means 9:30 am

#### Testimony in Opposition to HB 4 HD1 SD1, Relating to Health; and HB 214 HD1 SD1, Relating to Family Leave

To: The Honorable Jill Tokuda, Chair The Honorable Donovan Dela Cruz, Vice-Chair Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 61 Hawaii credit unions, representing over 800,000 credit union members across the state.

We are in opposition to HB 4 HD1 SD1 & HB 213 HD1 SD1, which would require employers to provide a minimum amount of paid sick/family leave to employees to be used to care for themselves or a family member who is ill or needs medical care, or for other purposes.

While we appreciate and understand the intent of this bill to allow for paid leave in the workplace, we are concerned about the cost, management, and oversight of such a system. Many employers already offer generous paid leave packages to employees. Having a requirement in the law such as this may have an unintended, adverse effect on employees who already receive paid leave through their employer. This bill may also be a hardship upon small businesses.

Thank you for the opportunity to testify.



#### HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211 FRIDAY, MARCH 31, 2017 AT 9:30 A.M.

To The Honorable Jill N.Tokuda, Chair; The Honorable Donovan M. Dela Cruz, Vice Chair; and Members of the Committee on Ways and Means

# TESTIMONY IN OPPOSITION TO HB 213 RELATING TO FAMILY LEAVE

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce representing approximately 600 businesses and 16,000 employees on Maui. I am writing share our opposition to HB 213.

As a representative of businesses on Maui, we believe imposing a law permitting an employee to take family leave to care for the employee's sibling with a serious health condition or upon the death of an employee's child, spouse, reciprocal beneficiary, sibling, or parent would be an extreme burden upon our state's small businesses. This bill would not only be difficult and costly for employers to administer and track, but may also conflict with other leave laws.

We appreciate the opportunity to testify on this matter and therefore ask that this bill be deferred.

Mahalo for your consideration of our testimony.

Sincerely,

Pamela Jumpap

Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics. Aloha,

My name is Dana Matlin and I am writing in opposition to HB213, which permits an employee to take family leave in order to care for the employee's sibling with a serious health condition or upon the death of an employee's child, spouse, reciprocal beneficiary, sibling, or parent.

As a relatively small, non-profit employer with 340 employees, enactment of this bill would be adding even greater burden to Hawai'i employers and would add to the existing challenges to run a business in the state of Hawai'i.

I respectfully oppose this measure because of the implementation challenges and administrative burden it would impose, and for the potential of unintended conflict with other leave laws.

Kāhala Nui already provides a generous paid time off plan to our employees so the effect of this bill would simply be more administrative burden and cost with no benefit to any employees.

Thank you, Dana Matlin Director of Human Resources Kāhala Nui 4389 Malia Street Honolulu, HI 96821 (808) 218-7006 <u>dmatlin@kahalanui.com</u>



March 30, 2017

#### **RE: Opposition to HB213**

Aloha,

My name is Laurie Hagedorn and I am writing in opposition to HB213, which permits an employee to take family leave in order to care for the employee's sibling with a serious health condition or upon the death of an employee's child, spouse, reciprocal beneficiary, sibling, or parent.

I am currently the HR Manager at John Mullen and Company, an independent insurance claims adjusting firm that has been in business in Hawaii since 1959.

I respectfully oppose this measure because of the implementation challenges and administrative burden it would impose, and for the potential of unintended conflict with other leave laws.

We already provide a generous funeral leave policy for our employees and we allow our employees to utilize other paid leave to care for immediate family members.

Thank you, Laurie Hagedorn HR Manager John Mullen and Company 808-541-5888 Ihagedorn@johnmullen.com

John Mullen & Company

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From:	mailinglist@capitol.hawaii.gov		
Sent:	Thursday, March 30, 2017 3:56 PM		
То:	WAM Testimony		
Cc:	biffmimi@yahoo.com		
Subject:	*Submitted testimony for HB213 on Mar 31, 2017 09:30AM*		

## <u>HB213</u>

Submitted on: 3/30/2017 Testimony for WAM on Mar 31, 2017 09:30AM in Conference Room 211

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Byron R Graper	Individual	Oppose	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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