HB4 RELATING TO HEALTH.

LAB, FIN



Submit Testimony

Measure Title:	RELATING TO HEALTH.
Report Title:	Employment; Paid Sick Leave
Description:	Requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.
Companion:	<u>sb638</u>
Package:	None
Current Referral:	LAB, FIN
Introducer(s):	TAKUMI

Sort by Date		Status Text
1/18/2017	Н	Pending introduction.
1/19/2017	Н	Pass First Reading
1/23/2017	Н	Referred to LAB, FIN, referral sheet 1
2/10/2017	н	Bill scheduled to be heard by LAB on Tuesday, 02-14-17 8:30AM in House conference room 309.

S = Senate | H = House | D = Data Systems | \$ = Appropriation measure | ConAm = Constitutional Amendment Some of the above items require Adobe Acrobat Reader. Please visit Adobe's download page for detailed instructions.

A BILL FOR AN ACT

RELATING TO HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECT	ION 1. The legislature finds that:
2	(1)	Most workers in the State, at some time during the
3		year, need temporary time off from work to take care
4		of personal health needs or the health needs of
5		members of their families;
6	(2)	Nationally, nearly forty per cent of private sector
7		workers are without any paid sick leave. In this
8		State, an estimated forty-three per cent of private
9		sector workers lack paid sick leave;
10	(3)	Low-income workers are significantly less likely to
11		have paid sick leave than other members of the
12		workforce. Only one in five low-income workers has
13		access to paid sick leave;
14	(4)	Providing workers time off to attend to their personal
15		health care needs and the health care needs of family
16		members would ensure a healthier and more productive
17		workforce in the State;



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(5) Nearly two hundred fifty thousand people in the State
 serve as unpaid family caregivers for family members,
 work that has an aggregate value of \$1,900,000 per
 year. Working family caregivers cannot adequately
 care for their relatives without access to paid sick
 leave;

7 (6) Paid sick leave would have a positive effect on the
8 public health of residents of the State by allowing
9 workers the option of staying home when ill, thus
10 lessening recovery time and reducing the likelihood of
11 spreading illness to other members of the workforce
12 and to the public;

Paid sick leave will reduce health care expenditures 13 (7) by promoting access to primary and preventive care. 14 Nationally, providing all workers with paid sick leave 15 would result in \$1,100,000,000 in annual savings in 16 hospital emergency room costs, including more than 17 \$500,000,000 in savings to publicly funded health 18 insurance programs such as Medicare, medicaid, and the 19 state children's health insurance program. Access to 20 21 paid sick leave can also help decrease the likelihood



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that a worker will put off needed care and increase 1 2 the use of preventive care among workers and their 3 family members; Paid sick leave will allow parents to provide personal 4 (8) 5 care for their sick children. Parental care makes children's recovery faster and can prevent future 6 health problems. Parents who do not have paid sick 7 leave are more than twice as likely as parents with 8 paid sick days to send a sick child to school or 9 10 daycare and are five times as likely to report taking their child or other family member to a hospital 11 12 emergency room because they were unable to take time 13 off from work during regular work hours; (9) Paid sick leave will reduce contagion. Workers in 14 jobs with high levels of public contact, such as 15 restaurant workers and child care workers, are very 16 unlikely to have paid sick leave. As a result, these 17 18 workers may have no choice but to go to work when they are ill, thereby increasing the risk of passing 19 20 illnesses on to co-workers and customers while jeopardizing their own health. Overall, people 21



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1		without paid sick leave are 1.5 times more likely than
2		people with paid sick leave to go to work with a
3		contagious illness like the flu;
4	(10)	Employees frequently lose their jobs or are
5		disciplined for taking sick leave to care for sick
6		family members or even to recover from their own
7		illness. One in six workers report that they or a
8		family member has been fired, suspended, punished, or
9		threatened by an employer because they needed to take
10		sick leave for themselves or a family member;
11	(11)	When an outbreak that presents a threat to public
12		health occurs, for example the H1N1 outbreak of 2009,
13		government officials request that sick workers stay
14		home and keep sick children home from school or child
15		care to prevent the spread of the illness and to
16		safeguard workplace productivity. However, to protect
17		their paychecks and their jobs, many workers who lack
18		paid sick leave are unable to comply with these
19		requests;
20	(12)	During the height of the H1N1 pandemic, workers with
21		lower rates of access to paid sick leave were more



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likely than those with higher rates of access to paid 1 2 sick leave to go to work sick. As a result, the 3 pandemic lasted longer in their workplaces as the virus spread from co-worker to co-worker. One study 4 estimates that lack of paid sick leave was responsible 5 for five million cases of influenza-like illness 6 7 during the pandemic; Providing a minimal amount of paid sick leave is 8 (13) affordable for employers. Paid sick leave results in 9 reduced worker turnover, which leads to reduced costs 10 incurred from advertising, interviewing, and training 11 12 new hires. Firing and replacing workers can cost anywhere from twenty-five to two hundred per cent of 13 an employee's annual compensation; 14 15 (14)Paid sick leave will reduce the risk of 16 "presenteeism", or workers coming to work with illnesses and health conditions that reduce their 17 productivity, a problem that costs the national 18 economy \$160,000,000,000 annually; and 19



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1	(15)	Paid sick leave will reduce the competitive
2		disadvantage currently faced by the many employers
3		that do choose to provide sick time to their workers.
4	The j	purpose of this Act is to establish the right for
5	workers to	o accrue paid sick leave to:
6	(1)	Ensure that all workers in the State can address their
7		own health needs and the health needs of their
8		families by requiring employers to provide a minimum
9		level of paid sick leave, including time for family
10		care;
11	(2)	Diminish public and private health care costs in the
12		State by enabling workers to seek early and routine
13		medical care for themselves and their family members;
14	(3)	Protect public health in the State by reducing the
15		risk of contagion;
16	(4)	Promote economic security and stability of workers and
17		their families in the State;
18	(5)	Protect employees in the State from losing their jobs
19		when they use sick leave to care for themselves or
20		their families;



,

1	(6)	Safeguard public welfare, health, safety, and
2		prosperity of the people of the State; and
3	(7)	Accomplish the purpose of this Act in a manner that is
4		feasible for employers.
5	SECT	ION 2. The Hawaii Revised Statutes is amended by
6	adding a	new chapter to be appropriately designated and to read
7	as follow	'S:
8		"CHAPTER
9		PAID SICK LEAVE
10	ş	-1 Definitions. As used in this chapter, unless the
11	context c	learly requires otherwise:
12	"Dep	artment" means the department of labor and industrial
13	relations	
14	"Dir	ector" means the director of labor and industrial
15	relations	3.
16	" Emp	oloyee" has the same meaning as defined in the federal
17	Fair Labo	or Standards Act, Title 29 United States Code section
18	203(e), a	and additionally includes recipients of public benefits
19	who are e	engaged in work activity as a condition of receiving
20	public as	ssistance and public employees who are not subject to
21	the civil	service laws of the State, a political subdivision, or



a public agency. The term "employee" shall not include sole 1 2 proprietors and independent contractors. 3 "Employer" has the same meaning as defined in the federal Fair Labor Standards Act, Title 29 United States Code section 4 5 203(d). 6 "Family member" means: A biological, adopted, or foster child; stepchild; 7 (1)legal ward; a child of a reciprocal beneficiary; or a 8 child to whom the employee stands in loco parentis; 9 A biological, adoptive, or foster parent; stepparent; 10 (2) legal guardian of an employee or an employee's spouse 11 or reciprocal beneficiary; or a person who stood in 12 loco parentis when the employee was a minor child; 13 A spouse or reciprocal beneficiary; 14 (3) A grandparent or a spouse or reciprocal beneficiary of 15 (4)a grandparent; 16 17 A grandchild; (5) A biological, adopted, or foster sibling; or a spouse 18 (6) or reciprocal beneficiary of a biological, adopted, or 19 foster sibling; and 20



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whose close association with the employee is the 2 3 equivalent of a family relationship. "Health care professional" has the same meaning as defined 4 5 in section 432E-1. "Labor organization" has the same meaning as defined in 6 7 section 378-1. "Paid sick leave" means time away from work provided by an 8 employer to an employee that is compensated at the same hourly 9 rate and with the same benefits, including health care benefits, 10 as the employee normally earns during hours worked. 11 -2 Accrual of paid sick leave. (a) All employees who 12 S work in the State for more than eighty hours in a year shall 13 have the right to paid sick leave as provided in this chapter. 14

(7) Any other individual related by blood or affinity

(b) All employees shall accrue a minimum of one hour of paid sick leave for every thirty hours worked. Employees shall not accrue more than fifty-six hours of paid sick leave in a calendar year, unless the employer provides a higher limit.

(c) Employees who are exempt from overtime requirements
under the federal Fair Labor Standards Act, Title 29 United
States Code section 213(a)(1), shall be assumed to work forty



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hours in each work week for purposes of paid sick leave accrual
 unless the employee's normal work week is less than forty hours,
 in which case paid sick leave shall accrue based upon the actual
 hours in the normal work week.

5 (d) Paid sick leave as provided in this chapter shall
6 begin to accrue at the later of the commencement of employment
7 or the effective date of this chapter.

8 (e) Employees shall be entitled to use accrued paid sick 9 leave beginning on the ninetieth calendar day following 10 commencement of employment. After the ninetieth calendar day of 11 employment, employees may use paid sick leave as it is accrued.

(f) Paid sick leave shall be carried over to the following calendar year; provided that an employee's use of paid sick leave pursuant to this chapter in each calendar year shall not exceed fifty-six hours, unless the employer provides a higher limit.

17 (g) An employer shall not be required to provide
18 additional paid sick leave if the employer has a paid leave
19 policy that makes available an amount of paid leave sufficient
20 to meet the accrual requirements of this chapter and that may be



used for the same purposes and under the same conditions as paid
 sick leave under this chapter.

3 (h) Nothing in this section shall be construed as
4 requiring financial or other reimbursement to an employee from
5 an employer upon the employee's termination, resignation,
6 retirement, or other separation from employment for unused
7 accrued paid sick leave.

(i) If an employee is transferred to a separate division, 8 entity, or location, but remains employed by the same employer, 9 the employee shall be entitled to all paid sick leave accrued at 10 the prior division, entity, or location and shall be entitled to 11 use all paid sick leave as provided in this chapter. If an 12 employee is separated from employment and subsequently rehired 13 within six months of separation by the same employer, the 14 employee's previously accrued and unused paid sick leave shall 15 be reinstated. In addition, the employee shall be entitled to 16 use accrued paid sick leave and to accrue additional paid sick 17 leave as of the date of re-commencement of employment. 18

19 (j) An employer may advance paid sick leave to an employee20 prior to its accrual by the employee.



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1	Ş	-3 Use of paid sick leave. (a) An employee may use
2	paid sick	leave during absences from work due to:
3	(1)	An employee's mental or physical illness, injury, or
4		health condition; an employee's need for medical
5		diagnosis, care, or treatment of a mental or physical
6		illness, injury, or health condition; or an employee's
7		need for preventive medical care;
8	(2)	Care of a family member with a mental or physical
9		illness, injury, or health condition; care of a family
10		member who needs medical diagnosis, care, or treatment
11		of a mental or physical illness, injury, or health
12		condition; or care of a family member who needs
13		preventive medical care; and
14	(3)	Closure of the employee's place of business by order
15		of a public official due to a public health emergency,
16		an employee's need to care for a child whose school or
17		place of care has been closed by order of a public
18		official due to a public health emergency, or care for
19		a family member when it has been determined by the
20		health authorities having jurisdiction or by a health
21		care professional that the family member's presence in



1 the community would jeopardize the health of others
2 because of the family member's exposure to a
3 communicable disease, regardless of whether the family
4 member has actually contracted the communicable
5 disease.

6 (b) Paid sick leave shall be provided upon the oral
7 request of an employee. When possible, the request shall
8 include the expected duration of the absence.

9 (c) When the use of paid sick leave is foreseeable, the 10 employee shall make a good faith effort to provide notice of the 11 need for the leave to the employer in advance of the use of the 12 paid sick leave and shall make a reasonable effort to schedule 13 the use of paid sick leave in a manner that does not unduly 14 disrupt the operations of the employer.

15 (d) Accrued paid sick leave may be used in smaller than 16 hourly increments or the smallest increment that the employer's 17 payroll system uses to account for absences or use of other 18 time.

19 § -4 Notice and posting. (a) An employer shall give
20 its employees notice of the following:

21

(1) That employees are entitled to paid sick leave;



1	(2)	The amount of paid sick leave granted pursuant to this
2		chapter;
3	(3)	The terms of paid sick leave use as guaranteed under
4		this chapter; and
5	(4)	That each employee has the right to file a complaint
6		or bring a civil action if paid sick leave, as
7		required by this chapter, is denied by the employer.
8	(b)	An employer shall comply with this section by
9	providing	the information required in subsection (a) by:
10	(1)	Individualized notice; or
11	(2)	Displaying a poster in a conspicuous and accessible
12		place in each establishment where its employees are
13		employed.
14	The	notice or poster shall be in English and in any
15	language	that is the first language spoken by at least five per
16	cent of t	he employer's workforce.
17	(c)	The director shall create and make posters available
18	to employ	ers, in all languages currently being used by the
19	departmen	t for other employment posters, that contain the
20	informati	on required under subsection (a) for the employer's use
21	in comply	ing with this section.



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(d) An employer who willfully violates the notice and 1 posting requirements of this section shall be subject to a civil 2 fine in an amount not to exceed \$100 for each separate offense. 3 -5 Employer records. An employer shall retain records 4 S documenting hours worked by employees and paid sick leave taken 5 by employees for a period of five years and shall allow the 6 director access to the records, with appropriate notice and at a 7 mutually agreeable time, to monitor compliance with the 8 requirements of this chapter. If an issue arises as to an 9 employee's entitlement to paid sick leave under this chapter, it 10 shall be presumed that the employer has violated this chapter, 11 absent clear and convincing evidence otherwise, if the employer 12 does not maintain or retain adequate records documenting hours 13 worked by the employee and paid sick leave taken by the employee 14 or does not allow the director reasonable access to the records. 15 -6 Enforcement. (a) An employee or other person may 16 S report to the director any suspected violation of this chapter. 17 The director shall encourage reporting pursuant to this 18 subsection by keeping confidential, to the maximum extent 19 permitted by applicable laws, the name and other identifying 20 information of the employee or person reporting the suspected 21



violation; provided that with the authorization of the person,
 the director may disclose the person's name and identifying
 information as necessary to enforce this chapter or for other
 appropriate purposes.

5 (b) The director, the attorney general, any person 6 aggrieved by a violation of this chapter, or any labor 7 organization a member of which is aggrieved by a violation of 8 this chapter, may bring a civil action in a court of competent 9 jurisdiction against an employer who violates this chapter. The 10 action may be brought without first filing an administrative 11 complaint.

12 (c) Upon prevailing in an action brought pursuant to this13 section, aggrieved persons shall recover:

14 (1) The full amount of any paid sick leave to which the15 person is entitled;

16 (2) Actual damages suffered as the result of the

17 employer's violation of this chapter; and

18 (3) Reasonable attorney's fees.

19 Aggrieved persons shall also be entitled to equitable relief as 20 may be appropriate to remedy the violation including

21 reinstatement, back pay, and injunctive relief.



(d) The statute of limitations for a civil action brought
 pursuant to this chapter shall be for a period of three years
 from the date the alleged violation occurred.

4 (e) Actions brought pursuant to this chapter may be5 brought as a class action.

-7 Confidentiality and nondisclosure. An employer 6 S shall not require disclosure of details of an employee's medical 7 condition as a condition of providing paid sick leave under this 8 chapter. If an employer possesses health information or 9 information pertaining to the details of a medical condition 10 about an employee or employee's family member, the information 11 shall be treated as confidential and shall not be disclosed 12 except to the affected employee or with the permission of the 13 14 affected employee.

15 § -8 Employer adoption of more generous sick leave
16 policies; no effect on contracts, agreements, and plans
17 providing more generous sick leave. (a) Nothing in this
18 chapter shall be construed to discourage or prohibit an employer
19 from the adoption or retention of a paid sick leave policy more
20 generous to the employee than the one required by this chapter.



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(b) Nothing in this chapter shall be construed as
 diminishing the obligation of an employer to comply with any
 contract, collective bargaining agreement, employment benefit
 plan, or other agreement providing more generous paid sick leave
 to an employee than required herein.

6 (c) Nothing in this chapter shall be construed as
7 diminishing the rights of public employees regarding paid sick
8 leave or use of sick leave as provided by law.

9 (d) This chapter shall provide the minimum requirements of 10 paid sick leave and shall not be construed to preempt, limit, or 11 otherwise affect the applicability of any other law, rule, 12 requirement, policy, or standard that provides for greater 13 accrual or use by employees of sick leave, whether paid or 14 unpaid, or that extends other protections to employees."

15 SECTION 3. If any provision of this Act, or the 16 application thereof to any person or circumstance, is held 17 invalid, the invalidity does not affect other provisions or 18 applications of the Act that can be given effect without the 19 invalid provision or application, and to this end the provisions 20 of this Act are severable.



SECTION 4. This Act does not affect rights and duties that
 matured, penalties that were incurred, and proceedings that were
 begun before its effective date.

SECTION 5. This Act shall take effect on July 1, 2017;
provided that in the case of employees covered by a collective
bargaining agreement in effect on July 1, 2017, this Act shall
take effect on the date of termination, renewal, or amendment of
the collective bargaining agreement then in effect.

INTRODUCED BY:

Blekni

JAN 1 8 2017



Report Title: Employment; Paid Sick Leave

Description:

Requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



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

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

February 14, 2017

- To: The Honorable Aaron Ling Johanson, Chair, The Honorable Daniel Holt, Vice Chair, and Members of the House Committee on Labor and Public Employment
- Date: Tuesday, February 14, 2017

Time: 8:30 a.m.

- Place: Conference Room 309, State Capitol
- From: Linda Chu Takayama, Director Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 4 Relating to Health

I. OVERVIEW OF PROPOSED LEGISLATION

HB4 adds paid sick leave through a new chapter to the Hawaii Revised Statutes (HRS), by requiring employers subject the Fair Labor Standards Act to provide a maximum of 56 hours of paid leave to be used for the service worker's personal illness, caring for a sick child or spouse, or due to the closure of a business by a public official. The measure provides one 1 hour of paid sick leave per 30 hours worked.

The Department provides comments to this proposal.

II. CURRENT LAW

Chapter 398 requires employers with 100 or more employees to provide unpaid family leave to employees to care for the employee's child, spouse, or parent with a serious illness or upon the birth or adoption of a child. Chapter 392, HRS, requires Temporary Disability Insurance (TDI) benefits to be paid to a qualified employee while the employee is disabled due to non-industrial illness or injury. Chapter 386, HRS, requires Workers' Compensation (WC) benefits to be paid to an employee who is disabled due to an industrial illness or injury. H.B. 4 February 14, 2017 Page 2

III. COMMENTS ON THE HOUSE BILL

The Department submits the following comments for this measure:

- The definition of an employee should exclude federal employees.
- For clarity and enforcement purposes, we would recommend revising the following:
 - Require documentation of the request for paid sick leave instead of only a verbal request by the employee.
 - Require certification of the medical necessity for leave to alleviate possible fraudulent requests.
 - Disallow advanced payment of sick leave, which could create record keeping issues along with an overpayment to the employee should the employee not accrue enough hours to cover the advanced leave.
- This measure may have due process implications if an employer is accused of violating requirements of this measure without clear and convincing evidence to the contrary (page 13, lines 6-8, page 15, lines 9-15).
- The WC and TDI laws allow wage replacement for work-related and non-work related illness and injury. As drafted, the bill may allow employees to receive both paid sick leave and WC or TDI benefits during the same period.
- The bill could also cause conflict for employers who chose to use their sick leave plans to fulfill part or all of the TDI requirement.
 - Under a TDI plan that uses sick leave as the entire TDI benefit, the employee must maintain a minimum amount of sick leave for the employee's own disability.
 - The employer is required by Section 392-41(b)(2), HRS, to allow an employee to use only the excess amount of sick leave for family leave purposes.
- The requirement that employees continue to earn the same benefits, including health care benefits, may be incompatible with existing laws.
 - The Prepaid Health Care (PHC) Act, chapter 393, HRS, requires the employee to be provided medical insurance if the employee performed service for wages for at least twenty hours per week for four consecutive weeks. During the paid sick leave period, the employee will not be performing service and is not earning wages as defined by the statute.

H.B. 4 February 14, 2017 Page 3

- A similar conflict also exists with the TDI statute, chapter 392, HRS.
- As an employer, the State may incur additional costs since some employees who currently do not earn sick leave may be entitled to sick leave under this proposal.

DAVID Y. IGE GOVERNOR



JAMES K. NISHIMOTO DIRECTOR

RYKER WADA DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT 235 S. BERETANIA STREET HONOLULU, HAWAI'I 96813-2437

FEBRUARY 13, 2017

TESTIMONY TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT For Hearing on TUESDAY, FEBRUARY 14, 2017 8:30 a.m., Conference Room 309

By

JAMES K. NISHIMOTO DIRECTOR

House Bill No. 4 Relating to Health

CHAIRPERSON JOHANSON, VICE-CHAIR HOLT AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT:

Thank you for the opportunity to provide testimony on H.B. No. 4.

H.B. No. 4 requires employers to provide a minimum amount of paid sick leave to

employees to be used to care for themselves or a family member who is ill or needs

medical care.

The Department of Human Resources Development respectfully **OPPOSES** H.B.

4 to the extent that it applies to public sector employees.

Most public sector employees are already afforded generous vacation and sick

leave benefits which can be utilized for the purposes of caring for themselves or a family

member who is ill or needs medical care. It is therefore unnecessary to include public

employees within the scope of this bill.

In addition, this bill would provide paid sick leave to employees who are hired to

supplement the Executive Branch's regular workforce (e.g., 89-day hires, part-time intermittent workers, casual hires, event workers, etc.). These employees are typically hired on an as-needed basis. The estimated impact of providing up to seven paid sick leave days to these short-term employees may be in excess of \$500,000.

H.B. 4 also appears to be in conflict with existing law. Act 253, SLH 2000, removed routine human resource policy and management matters from civil service laws and included the enactment of HRS Section 78-23. That section specifically provides that employees "shall be eligible for vacation leave, sick leave, and other leaves of absence, with or without pay, as negotiated under chapter 89 or adjusted under chapter 89C, as applicable." H.B. 214 accordingly attempts to legislate in an area that is required by statute to be a mandatory subject of negotiation.

Given the foregoing, we recommend that H.B. 4 be held or amended to expressly exclude public employees from its coverage.

HAWAII STATE COMMISSION ON THE STATUS OF WOMEN



Chair LESLIE WILKINS

COMMISSIONERS:

SHERRY CAMPAGNA CYD HOFFELD JUDY KERN MARILYN 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 February 13, 2017

Testimony in Support, HB 4, Relating to Labor

- To: Representative Aaron Ling Johanson, Chair Representative Daniel Holt, Vice Chair Members of the House Committee on Labor and Public Employment
- From: Cathy Betts, Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in Support of Intent, HB 4, Relating to Health

Thank you for this opportunity to provide testimony in strong support of HB 4, which would enable all workers to accrue sick leave.

Currently, 40% of our private sector workforce does not have access to even a single day of paid leave from their employment. For those who can take unpaid leave, retaliation and termination are often the consequences of requesting leave. In one study, 23% of adults say they have been threatened with termination or fired for taking time off to take care of a sick family member.¹

Further, lack of paid sick leave has a detrimental affect on low-income women. Minority women continue to be paid less on average, and close to 2/3 of low wage workers do not have access to paid sick days. Having a paid sick leave policy increases worker loyalty, decreases turnover and ensures a healthy workforce. Ensuring a minimum amount of paid sick leave is a sound public policy that benefits the community and the workplace.

For a typical family in the United States without access to paid sick leave, 3.5 days lost due to illness are equivalent to the family's entire monthly grocery budget.² Paid sick days ensure worker loyalty and help to decrease unnecessary public health costs associated with sick people going to work or sending sick children to school.

The Commission strongly supports HB 4 and thanks this Committee for hearing this measure.

¹ Tom W. Smith and Jibum Kim, *Paid Sick Days: Attitudes and Experiences*, Public Welfare Foundation (2010), available at http://www.publicwelfare.org/resources/ DocFiles/psd2010final.pdf.

² Gould, E., Filion, K., & Green, A. (2011, June 29). The Need for Paid Sick Days: The lack of a federal policy further erodes family economic security. Economic Policy Institute Publication. Retrieved 8 July 2015, from http://www.epi.org/page/-/BriefingPaper319.pdf?nocdn=1



February 14, 2017

The Twenty-Ninth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment

HB4 - RELATING TO HEALTH

Chair Johanson, Vice Chair Holt and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO (IBEW1260), represents more than 3500 members, has advocated for all workers in the State of Hawaii for over 75 years and respectfully offers the following testimony in <u>STRONG</u> <u>SUPPORT</u> of House Bill 4 (HB4).

While our members are fortunate enough to be covered by a collective bargaining agreement providing in many cases generous amounts of paid sick leave, many of Hawaii's workers, over forty percent, are not afforded the same benefit. As a result, these workers are required to choose between providing for their families and working while sick or enduring a loss of income to recuperate.

Support of HB4 will allow these workers, many of whom are low-income earners, the ability to stay at home and recover without loss of income. Additionally, children of working families who are ill will be able to remain home being cared for by their parents. IBEW1260 encourages this committee to support HB4 as paid sick days will improve the quality of life for many families ultimately leading to a healthier Hawaii.

Mahalo for the opportunity to testify on this issue,

Respectfully,

Michael M. Brittain Asst. Business Manager IBEW1260 / AFL-CIO



TIM VANDEVEER Chair MARGARET WILLE SEAN SMITH Legislation Committee Co-Chairs

February 13, 2017

Representative Aaron Ling Johanson, Chair Representative Daniel Holt, Vice Chair House Committee on Labor February 14, 2017 8:30 a.m. State Capitol Conference Room 309

HB 4 Relating to Health

Submitted On Behalf of the Democratic Party of Hawai'i

The Democratic Party of Hawai'i supports HB 4 Relating to Health. This bill establishes the right of Hawaii workers to accrue paid sick leave, at a rate of one hour per thirty hours worked, up to 56 hours a year. Employees would be able to use paid sick leave as it accrues, beginning on the ninetieth day of employment, and carry over unused sick leave to the following year.

Establishing the right of workers in Hawaii to accrue paid sick leave is one of the **Democratic Party of Hawai'i's legislative priorities for the 2017 legislative session.** We request that you pass this bill out of committee.

Mahalo for the opportunity to testify on this bill.

Respectfully submitted,

Tim Vandeveer Chair of the Democratic Party of Hawai'i

/s/ Margaret Wille /s/ Sean Smith Legislative Committee Co-chairs

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 11, 2017 2:34 PM
То:	LABtestimony
Cc:	mgolojuch@hotmail.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

HB4

Submitted on: 2/11/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	LGBT Caucus of the Democratic Party of Hawaii	Support	Yes

Comments: The LGBT Caucus of the Democratic Party of Hawai'i stands in full support of HB 4.

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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Testimony of Hawai'i Appleseed Center for Law and Economic Justice Supporting HB 4 Relating to Health House Committee on Labor & Public Employment Scheduled for hearing Tuesday, February 14, 2017, 8:30 AM, Conference Room 309

Dear Chair Johanson, Vice Chair Holt, and members of the Committee on Labor & Public Employment:

Thank you for the opportunity to testify in SUPPORT of **HB 4**, which would require all employers to provide paid sick leave to all employees, at the rate of 1 hour earned per 30 hours worked.

According to the Institute for Women's Policy Research (IWPR), 40 percent of U.S. workers don't get any paid sick days. While over 6 in 7 workers earning over \$65,000 per year have paid sick days, only 1 in 7 workers earning less than \$15,000 get the same.

Our state's low-wage earners are concentrated in service and hospitality occupations – restaurants, hotels, tourist services – where many are in frequent contact with customers or their food and drink. Yet they are the least able to afford to lose pay when they are ill. As our kupuna age, more and more will be cared for low-wage workers as well.

IWPR found that employees without paid sick days took a median of 1.6 days off due to illness or injury, which suggests that a significant number of them are going back to work while still sick and/or sending children with illnesses to school. This indicates that their lack of access to paid sick days contributes to the spread of colds and flu in the general population.

Since San Francisco started requiring paid sick days in 2007, nearly 20 cities, seven states and Washington D.C. have passed laws that guarantee workers paid sick days. Hawai'i should join them.

Connecticut was the first state to pass a state-wide paid sick days law. The Center for Economic and Policy Research (CEPR) surveyed employers and conducted on-site interviews in the state to find out how mandated paid sick days are working out. CEPR found that the fears expressed before the law was passed were unfounded. In fact, employment increased in some of the sectors most affected by the law, such as hospitality and health services.

CEPR also surveyed employers in New York City to see how they have been affected by the city's paid sick leave law. The vast majority of employers stated that they adjusted easily to the new mandate, and

Hawaii Appleseed Center for Law and Economic Justice February 13, 2017 Page 2 of 2

most found the cost to be "minimal to nonexistent." In fact, 6 out of 7 of the employers surveyed expressed support for the law.

Being able to take adequate time off to care for your own or your children's colds or flu without risking financial distress or losing your job should not be a privilege reserved for only the well-off. Even those of us fortunate enough to have employers who provide paid sick days should be concerned that workers currently without paid sick days are serving or preparing our food and drink, caring for our kupuna, and/or sending their children to school, while still contagious.

The well thought-out and reasonable proposals in HB 5 will add Hawai'i to the growing list of states and jurisdictions that provides its workers with a guarantee of paid sick days. It is the right thing to do for our low-wage workers, their families, our state's economy, and our broader community.

Hawai'i Appleseed Center for Law and Economic Justice Hawaii Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

HCIA 2016 - 2018 Board of Directors

President Alan Takemoto

Vice-President Joshua Uyehara

Secretary Dawn Bicoy

Treasurer Laurie Yoshida

Directors-at-Large

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President Emeritus Kirby Kester

Executive Director Bennette Misalucha

OUR MISSION

HCIA is a Hawaiibased non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices and build a healthy economy.

TESTIMONY FROM BENNETTE MISALUCHA, EXECUTIVE DIRECTOR

In Opposition to HB 4 Relating to Labor Requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care

> HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT February 14, 2017, 8:30 a.m. Conference Room 309

Chair Yamashita and members of the committee:

The Hawaii Crop Improvement Association (HCIA) is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed.

HCIA stands in **opposition to SB 4**, which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

Our primary concerns are the increased costs to employers and the administrative burden that will be placed on employers to manage their employees and the benefits provided. We also believe such a bill will hurt job growth.

It is for these reasons that we ask that SB 4 be deferred.

Respectfully submitted,

Bennette Misalucha Executive Director



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

1050 Bishop St. PMB 235 Honolulu, HI 96813 Fax: 808-791-0702 Telephone: 808-533-1292

TO: COMMITTEE ON LABOR & PUBLIC EMPLOYMENT Rep. Aaron Ling Johanson, Chair Rep. Daniel Holt, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE:	Tuesday, Feb. 14, 2017
TIME:	8:30 a.m.
PLACE:	Conference Room 309

RE: HB4 (Sick 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.

Our member employers understand that employees will require occasional leave from work due to a legitimate sickness or other reasons, and generally accommodate and work with them.

This bill's approach will hinder an employer's flexibility in providing sick leave and will result in additional costs, both directly and indirectly. Full time employees already receive traditionally paid sick leave as an earned benefit. Mandating it for part time and hourly employees would greatly increase costs to employers. For many businesses, this could mean that they would no longer be able to afford to employ as many people and would be forced to eliminate jobs.

Small businesses are especially vulnerable to any increase in costs, especially those that operate on low margins. Passage of this measure may also force many small employers to offset higher costs through lower wages to their employees, fewer work hours and pay raises, decreased discretionary benefits, or increased costs for consumers. Even worse, for those companies on the "tipping point," any increase may force them to close. At a time when the State is placing an emphasis on jobs and the economy, this measure and any other mandate that creates additional perceived or real costs, will undermine those efforts, hinder economic progress and entrepreneurial activity, and deter business investment in our State.

In light of this, we respectfully request that this measure be held. Thank you for the opportunity to testify.
1065 Ahua Street Honolulu, HI 96819 Phone: 808-833-1681 FAX: 839-4167 Email: <u>info@gcahawaii.org</u> Website: <u>www.gcahawaii.org</u>



Uploaded via Capitol Website

February 13, 2017

TO: HONORABLE AARON JOHANSON, CHAIR HONORABLE DANIEL HOLT, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND EMPLOYMENT

SUBJECT: **OPPOSITION TO H.B 4, REGARDING TO H.B. 378, RELATING TO HEALTH.** Requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

	HEARING
DATE:	February 13, 2017
TIME:	8:30 a.m.
PLACE:	Conference Room 309

Dear Chair Johanson, Vice Chair Holt and Committee Members,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

H.B. 4 proposes to create a new section in state law that would require <u>all employers</u> provide a mandatory minimum amount of **paid** sick leave for employees to care for themselves or a family member. H.B. 4 proposes that all employees who work in the State for more than eighty hours in a year shall have the right to paid sick leave and shall accrue a minimum of one hour of paid sick leave for every thirty hours worked, further the measure states that employees shall not accrue more than fifty-six hours of paid sick leave in a calendar year, unless the employer provides a higher limit. While GCA understands the intent of this measure, it proposes a mandate that could potentially impact the ability for a small business to operate and even hire employees.

This bill is not necessary particularly for the construction industry who for the most part provide their employees with a sufficient wage and benefits package including vacation, medical, health and welfare and other incentives for retention purposes. Pay for absences due to illness are required under the Temporary Disability Insurance law. Further many employers provide sick leave benefits over and above the statutory requirement as an additional benefit. The proposed language in H.B. 4 to create an entire new system of mandating employers to provide sick leave benefits could have a negative impact on businesses statewide and force some to let go of employees because of the inability to provide such a benefit.

For these reasons we oppose this bill and request for its deferral. Thank you for the opportunity to present our views on this matter.



The Hawaii Business League

1188 Bishop St., Ste. 1003, Honolulu, Hawaii 96813 Phone: (808) 533-6819 Facsimile: (808) 533-2739

February 14, 2017

Testimony To: House Committee on Labor & Public Employment Representative Aaron Ling Johanson, Chair

- Presented By: Tim Lyons President
- Subject: H.B. 4 RELATING TO HEALTH.

Chair Johanson and Members of the Committee:

I am Tim Lyons, President of the Hawaii Business League, a small business service organization and we are opposed to this bill.

Although we find sick leave as an important fringe benefit, we do not believe that it rises to the same level as mandatory fringe benefits including insurance for off the job illnesses and injuries, prepaid healthcare and workers' compensation to name a few. Additionally most employers, particularly small businesses, have to be flexible with their employees in order to keep them on the payroll because they often find it difficult to match the salaries as well as the fringe benefits of larger businesses. Sick leave or paid time off for whatever reason is a desirable fringe benefit and one that needs to be negotiated between the employee and the employer or with the employee's representatives. It is not one that we believe should be mandated by state law.

In summary, Mr. Chairman, while we don't deny the importance of paid sick leave or paid time off, the administrative burden that this bill creates in terms of recordkeeping and documentation

will have a severe impact on small businesses and based on that we cannot recommend its adoption.

Thank you.



Testimony to the House Committee on Labor & Public Employment February 14, 2017 8:30 am

Testimony in Opposition to HB 4, Relating to Health

To: The Honorable Aaron Johanson, Chair The Honorable Daniel Holt, 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, which would require employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

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.

Thank you for the opportunity to testify.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 8:28 AM
То:	LABtestimony
Cc:	zertle13@gmail.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Seena Clowser	Individual	Support	No

Comments:

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From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 7:31 AM
То:	LABtestimony
Cc:	tampaltin@gmail.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Tamara Paltin	Individual	Support	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.

Committee on Labor & Public Employment HB4. Relating to Health Tuesday, Feb. 14, 2017, 8:30am, State Capitol, Conference room 309

Dear Chair Rep. Johanson, and Members of the Committee:

I am Jing Guo, an associate professor in the Myron B. Thompson School of Social Work at the University of Hawaii at Manoa. I am testifying in support of the HB4, relating to Health, which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

The reasons why Hawaii needs such legislation are well stated in the section 1 of the bill. A lack of paid sick leave threatens the health and economic well-being of our workers and their families. I'd like to provide comments from a gender perspective.

Women now comprise nearly half of the nation's workers, and 70% of mothers with children are in the labor force. Hawaii follows the similar trend. Much of public policy response to support working families has focused on policies related to income, such as minimum wage, tax credits, and the wage gap, all of which are important issues for women. Meanwhile, for many working women, economic security also encompasses health issues, including workplace benefits, such as insurance coverage, paid sick leave and paid family leave.

Overwhelmingly, mothers are primarily responsible for selecting their children's doctors, accompanying children to appointments and getting them recommended care. Nearly four in 10 working mothers say they must miss work when a sick child needs to stay home, compared to 3 percent of working men. Among these mothers, 60 percent do not get paid. One-fifth of women workers report that they have lost a job or were told they would lost a job for taking time off due to personal or family illness.

With the rise in the share of women participating in the workforce, we need policy response to help women balance the responsibilities to their families and their job. Especially for low-income working mothers, who have fewer childcare and financial resources, and often the limited workplace benefits. A paid sick leave would help strengthen the health and economic well-being of working women and their families.

Thank you for the opportunity to testify. I respectfully urge you to support the passage of this bill.

Sincerely, Jing Guo jingguo@hawaii.edu

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 12:49 AM
То:	LABtestimony
Cc:	ogyechan@yahoo.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Donni Gye Corrow- Sanchez	Individual	Support	No

Comments:

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From:	mailinglist@capitol.hawaii.gov
Sent:	Sunday, February 12, 2017 8:49 PM
То:	LABtestimony
Cc:	chris@mentzel.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/12/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Mentzel	Individual	Support	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 11, 2017 9:50 PM
То:	LABtestimony
Cc:	nataliejeanf@gmail.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/11/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
natalie forster	Individual	Support	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 11, 2017 5:31 PM
То:	LABtestimony
Cc:	mikegolojuch808@gmail.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

HB4

Submitted on: 2/11/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Individual	Support	No

Comments: I support HB4 so employers provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

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Rep. Aaron Ling Johanson, Chair Rep. Daniel Holt, Vice Chair Rep. Jarrett Keohokalole Rep. Mark M. Nakashima Rep. Kyle T. Yamashita Rep. Lauren Kealohilani Matsumoto

February 14, 2017

TESTIMONY IN SUPPORT OF HB 4 RELATING TO HEALTH

Dear Rep. Aaron Ling Johanson, Chair, Rep. Daniel Holt, Vice Chair, Rep. Jarrett Keohokalole, Rep. Mark M. Nakashima, Rep. Kyle T. Yamashita, and Rep. Lauren Kealohilani Matsumoto,

My name is U'ilani Kiaha, and I am writing to express my support for **HB 4.** This bill will provide the need to require employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

I believe that all of us have been ill or have loved one who become ill and either we need to get care for ourselves or help provide care for our families. As legislators, we have elected you to be leaders to the people of Hawaii, and we are asking you, now, to lead on helping us provide the support our families need. Thank you for considering my testimony.

Sincerely,

D.

U'ilani Kiaha

dwallace@hawaii.edu and ukiaha@onipaa.org

I am in support of this measure requiring employers to provide a minimum of paid family and medical leave. Falling ill, or having a family member fall ill, is not a choice made by an employee and therefore the employee should not be punished by having their wages stopped for taking time off. Everyone has a time in their life when they must not come to work because they, or a family member, are too sick or injured to journey to and from work, or to be an effective employee. Their illness, or their family members illness, may even spread to coworkers thus reducing the overall efficacy of the entire staff. Forcing an employee to come to work by not offering paid leave puts not only the employee at risk of prolonged illness, or of having a compromised family member, but it also puts the business at risk.

From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 11, 2017 1:55 PM
То:	LABtestimony
Cc:	ariannafeinberg@gmail.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

HB4

Submitted on: 2/11/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Arianna Feinberg	Individual	Support	No

Comments: As a lifelong Maui resident, small business owner, and active Democrat I strongly encourage you to support SB4 "Related to Health". Employers should provide paid sick leave to their employees.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Saturday, February 11, 2017 1:25 PM
То:	LABtestimony
Cc:	emmaharberwhite@gmail.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

Submitted on: 2/11/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Emily White	Individual	Support	No

Comments: Support family values.

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From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 10, 2017 8:46 PM
То:	LABtestimony
Cc:	clareloprinzi@gmail.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/10/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
clare loprinzi	Individual	Support	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.

In Support of HB4:

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

DATE: Tuesday, February 14, 2017

TIME: 8:30 AM

PLACE: Conference Room 309

On To Rep. Aaron Ling Johanson, Chair

Rep. Daniel Holt, Vice Chair

And to the members of the Committee on Labor and Public Employment

Thank you for the opportunity to testify in STRONG SUPPORT of HB4 to ensure employees have and may use paid sick leave for illness or injury.

I recommend AMENDMENT to ensure the bill's stated intent is met, particularly that use of leave for illness or injury is protected against disciplinary or derogatory action by an employer against an employee.

The threat of discipline, even when paid sick leave is provided, pressures employees to show up to work sick and contagious, which risks their own health and the health of coworkers and the clients they serve.

My wife and I work in hospitals. Some employers combine sick leave with vacation, calling it annual leave, and yet discipline employees who use their leave for illness. Discipline for using paid sick or annual leave for illness can include warnings, suspension other derogatory action from negative comments in employee files progressively up to discharge, based on use of paid sick leave. Disciplining employees who use sick leave is dangerous, because it pressure employees who serve patients to work when sick and contagious. This is particularly dangerous for vulnerable patients, especially those with compromised immune systems or who are vulnerable to complications of common illnesses such as the flu or colds. As healthcare professionals, we know the best practice is to keep our germs away from work, protecting public health and patients by using sick leave. Many healthcare workers are among those who already have paid sick leave, but are not protected against discipline for using their sick leave when ill and contagious. Working when sick increases risk of errors that can harm patients, as well as exposing patients to additional illness.

In other workplaces covered by this bill, such as restaurants or childcare, pressure by employers to show up sick can spread illness to customers and clients, and harm public health by further spreading outbreaks.

Current law and the bill as written does not ensure that employees who properly use paid sick leave are protected against disciplinary action.

I therefore recommend adding wording to state that employees who provide a statement from a health provider documenting that the employee (or family member if employee is caregiver) is under their care during the time of paid leave, may not be disciplined, discharged, or subjected to any other derogatory employment action for their absence when using the paid leave for illness or injury.

Such amendment will improve the bill and further advance its stated purposes.

I strongly support the bill and request it be passed by the committee, preferably amended as I suggest.

Thank you.

Doug Pyle

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 10:46 AM
То:	LABtestimony
Cc:	tristanh314@gmail.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Tristan D Holmes	Individual	Support	No

Comments: Allowing employees to take time to care for themselves and family members will reduce the overall costs of health care in Hawaii as workers will no longer need to pay for additional services while they continue to work under duress.

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February 12 2017

Testimony in Support of HB 4, Relating to Health

To: Representative Aaron Ling Johanson, Chair Representative Daniel Holt, Vice Chair Members of the House Committee on Labor and Public Employment

From: Winnie Groves

Re: <u>Testimony in Support of HB 4, Relating to Health</u>

Thank you for the opportunity to testify in support of HB 4. Paid sick leave is an essential piece of preventative care. Without any form of paid sick leave, many people may not be able to access the care they, or a family member, may need in lieu of lost wages. This can increase the spread of infectious diseases as well as put off proper care resulting in a more severe, and potentially preventable, condition at a later point.

Roughly 40% of Hawaii's workers lack access to a single day of leave from work. The high cost of living in Hawaii means that in most cases both parents need to be bringing in some kind of income. This bill would allow a worker to also care for a sick child or family member, which is increasingly important due to caring for our kupuna, who by 2020, nearly 40 percent of the workforce will be doing. Women, as primary caregivers of infants, children and elderly parents, are disproportionately affected by the lack of paid family and medical leave.

Mahalo for the opportunity to testify in support of this bill.

Winnie Groves Wpitts@hawaii.edu

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 9:28 AM
То:	LABtestimony
Cc:	zlaprade@aol.com
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Individual	Oppose	No

Comments: Quicksilver Charters and its affiliates (the "Company") employ close to 100 people in Hawaii's boating and tourism industries. We strongly oppose this bill. Small business continues to get oppressed by an already extensive regulatory presence. Bills such as this are disheartening and disruptive to economic growth. We are the employers in this state and for some reason we continue to feel marginalized by the legislature. As to this bill specifically, we already have an extensive points based absenteeism policy that we spent time and resources adopting. We offer 30 days of a year leave for any reason (some paid and some not paid). We can't afford to spend time trying to verify sickness etc. This bill seeks to require additional resources be spent on employee absenteeism. Companies already deal with TDI, FLMA, Company Absenteeism Policies and workers compensation. Enforcing an employee schedule and dealing with regulatory agencies is already so exhausting and takes up more than one full time position. I'd estimate dealing with these issues costs somewhere between 60-100K a year in staff. That money could be used to hire another revenue generating position and allow additional flexibility with sick leave. As to this bill specifically, we already have an extensive points based absenteeism policy that we spent time and resources adopting. We offer 30 days of a year leave for any reason (some paid and some not paid). We can't afford to spend time trying to verify sickness etc. This bill seeks to require additional resources be spent on employee absenteeism. Companies already deal with TDI, FLMA, Company Absenteeism Policies and workers compensation. Enforcing a employee schedule and dealing with regulatory agencies is already so exhausting and takes up more than one full time position. I'd estimate dealing with these issues costs somewhere between 60-100K a year in staff. That money could be used to hire another revenue generating position and allow additional flexibility with sick leave.

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HB 4 Late Testimony







HAWAII STATE TEACHERS ASSOCIATION Teaching Today for Hawaii's Tomorrow

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

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Corey Rosenlee President Justin Hughey Vice President Amy Perruso Secretary-Treasurer

Wilbert Holck Executive Director

RE: HB 4 - RELATING TO HEALTH

TUESDAY, FEBRUARY 14, 2016

COREY ROSENLEE, PRESIDENT HAWAII STATE TEACHERS ASSOCIATION

Chair Johanson and Members of the Committee:

The Hawaii State Teachers Association supports HB 4.

While our teachers are fortunate enough to be covered by a collective bargaining agreement that provides paid sick leave, many of Hawaii's workers, over forty percent, are not afforded the same benefit. As a result, these workers are required to choose between providing for their families and working while sick or enduring a loss of income to recuperate. These families also must decide whether to send their sick child to school, or stay home with them and lose a day of pay. For our low-income families, this choice causes hardship for them, their sick child, and of course, the contagions are spread, and other students, many from low-income families also get sick. In this chain reaction, many families are affected, their learning suffers, and what may have only been one child sick, becomes entire classes of children getting sick. Providing paid sick leave will allow our families to take care of themselves, their children, who are our students, without loss of pay.

Paid sick leave will improve the quality of life for many families ultimately leading to a healthier Hawaii

HSTA is concerned not only for our teachers, but also for our students and their families, especially those who are living paycheck to paycheck, thus we **support** this bill.





Testimony to the House Committee on Labor and Public Employment February 14, 2017 at 8:30 a.m. State Capitol - Conference Room 309

RE: HB 4 Relating to Health

Aloha members of the committee:

We are Cara Heilmann and John Knorek, the Legislative Committee co-chairs for the Society for Human Resource Management – Hawaii Chapter ("SHRM Hawaii"). SHRM Hawaii represents more than 800 human resource professionals in the State of Hawaii.

We are writing to respectfully **oppose** HB 4, which requires employers to provide minimum amounts of sick leave. We feel this measure is unduly burdensome for employers and has the potential to cause potential conflicts with paid and unpaid leave requirements.

Human resource professionals are keenly attuned to the needs of employers and employees. We are the frontline professionals responsible for businesses' most valuable asset: human capital. We truly have our employers' and employees' interests at heart. We 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 will continue to review this bill and, if it advances, request to be a part of the dialogue concerning it.

Thank you for the opportunity to testify.







From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 14, 2017 5:06 AM
То:	LABtestimony
Cc:	ramizusawa@gmail.com
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/14/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Mizusawa	Individual	Support	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.





Before the House Committee on Labor & Public Employment

DATE: February 14, 2017

TIME: 8:30 a.m.

PLACE: Conference Room 309

Re: HB 4 Relating to Health

Testimony of Melissa Pavlicek for NFIB Hawaii

Aloha Chair Johanson, Vice Chair Holt, and members of the Committee:

We are testifying on behalf of the National Federation of Independent Business (NFIB) in opposition to HB 4, which requires employers to provide a minimum amount of sick leave.

When it comes to employers providing paid sick time to their employees, we believe that government should not intrude in the employer/employee relationship. Many employers are already flexible in accommodating employee needs and time off requests without conflict and we believe that adding additional leave requirements has the potential to conflict with already-existing state and federal leave requirements.

The National Federation of Independent Business is the largest advocacy organization representing small and independent businesses in Washington, D.C., and all 50 state capitals. In Hawaii, NFIB represents more than 1,000 members. NFIB's purpose is to impact public policy at the state and federal level and be a key business resource for small and independent business in America. NFIB also provides timely information designed to help small businesses succeed.



On behalf of Hawaii Children's Action Network (HCAN), we are writing to support HB4 – Relating to Health.

Hawaii State Capitol, Room 309, February 14, 2017, 8:30 AM

Sick leave policies make economic sense not just for the employee but also for the employer. These policies provide the employee job security, better health, less stress, and more satisfaction with their job while reducing costs for employers by eliminating the need to replace workers and sickness of additional workers. An Oxfam America survey of low-wage working mothers found 19 percent reported losing a job because they were sick or they had to care for a sick child. It is estimated that 63% of young children in Hawaii have working parents with 31% of Hawaii's children living in single parent households.

According to the US Department of Labor:

- Four in ten private sector workers, over 40 million people, do not have access to paid sick time.
- Seven in ten low-wage workers whose earnings are in the bottom 25 percent of earners, lack access to paid sick time.
- For those employed in the accommodation and food services industries, 75 percent must choose between losing pay and showing up to work sick or leaving a sick child at home alone.
- Without sick leave, workers are more likely to go to work and infect others. A recent survey of food workers showed that nearly 90 percent went to work when they were sick, including more than half who did so "always" or "frequently." And of those who worked while sick, almost half (45 percent) reported going to work sick because they could not afford to lose pay.

For these reasons, HCAN respectfully requests that the committee PASS this bill.

HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education. Last fall, HCAN convened input in person and online from more than 50 organizations and individuals that came forward to support or express interest for a number of issues affecting children and families in our state that resulted in the compilation of 2017 Hawai'i Children's Policy Agenda, which can be accessed at http://www.hawaii-can.org/2017policyagenda.

The Twenty-Ninth Legislature Regular Session or 2017





THE HOUSE Committee on Labor and Public Employment Representative Aaron Ling Johanson, Chair Representative Daniel Holt, Vice Chair State Capitol, Conference Room 309 Tuesday, February 14, 2017; 8:30 a.m.



STATEMENT OF THE ILWU LOCAL 142 ON H.B. 4 RELATING TO HEALTH

The ILWU Local 142 supports H.B. 4, which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

H.B. 4 provides that all employees who work in the State for more than eighty hours in a year shall have the right to accrue sick leave. Sick leave would accrue at the rate of one hour of paid leave for every thirty hours worked. A cap is also provided so that no employee would accrue more than fifty-six hours of paid sick leave in a calendar year.

Providing paid leave for a worker's own illness or disability is a humane employment practice that fosters loyalty and productivity among employees for their employers. The current law mandating Temporary Disability Insurance (TDI) is a means of providing paid leave for workers to address their own illnesses, but TDI starts only after a week of illness. TDI also pays 58% of wages for a maximum 26 weeks.

We are concerned that some employers who now offer good sick leave policies may terminate those policies and instead offer TDI and the limited benefit provided in H.B. 4. The law should not allow employers to opt for the cheaper alternative. Further, H.B. 4 should not jeopardize the Temporary Disability Insurance law, which has been in effect for more than 40 years and has served us well. Some safeguards may need to be considered.

The ILWU urges passage of H.B. 4. Thank you for the opportunity to share our views on this matter.



Testimony of

Mufi Hannemann President & CEO Hawaiʻi Lodging & Tourism Association

House Committee on Labor and Public Employment House Bill 4 – Relating to Health





Chair Johanson, Vice Chair Holt and committee members:

On behalf of the more than 700 members of the Hawai'i Lodging & Tourism Association permit me to offer this testimony in regards to House Bill 4 which would require employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

The Hawai'i Lodging & Tourism Association respectfully opposes HB4, which will require employers to provide paid sick leave to the defined "service worker". The majority of companies in Hawaii currently address the issue of sick leave as an agreement between the employer and employee; we feel that this benefit should not be imposed as a requirement through legislation.

Furthermore, this measure would create another mandated benefit that will not only increase costs to employers but put further burden on companies to track the accumulation and usage of proposed sick leave; a burden that would have an even larger effect on smaller companies who may not have the administrative capacity to manage this new benefit.

Lastly, this bill would allow workers to utilize sick leave that are beyond the employee's health, as well as opening up for potential misuse and abuse of this benefit. For these reasons we are in opposition of HB4.

Thank you for the opportunity to testify.



HEARING BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309 TUESDAY, FEBRUARY 14, 2017 AT 8:30 A.M.

To The Honorable Aaron Ling Johanson, Chair; The Honorable Daniel Holt, Vice Chair; and Members of the Committee on Labor & Public Employment

TESTIMONY IN OPPOSITION TO HB 4 TO REQUIRE EMPLOYERS TO PROVIDE PAID SICK 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 4.

As a representative of businesses on Maui, we believe imposing a law requiring employers to provide paid sick leave to employees would be an extreme burden upon our local businesses. The law would allow for any employee working more than eighty hours in one year to accrue paid sick leave based on their hours worked. The bill would allow for employees to accrue up to 7 days of sick leave and to be able to rollover the unused sick leave each year as long as it does not go over 56 hours. Many businesses cannot afford to have an employee away from work for 7 full days without significant notice. Also many local businesses do not have the resources to keep up with the amount of paid sick leave an employee has accrued or used . Unlike the state, businesses are not allowed to carry unfunded benefits programs and continue to operate as though they are solvent. Heaping mandates such as this on businesses when they cannot afford it could bankrupt them. For businesses to provide that much paid sick leave to essentially all of their employees is extremely costly, unpredictable, and requires additional services or work for the upkeep. We cannot place this burden on our local businesses.

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

Mahalo for your consideration of our testimony and we hope you will support a deferral.

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.







President

HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813



Fax: (808) 593-2149

Telephone: (808) 597-1441

The Twenty-Ninth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment

> Testimony by Hawaii State AFL-CIO February 14, 2017

H.B. 4 – RELATING TO HEALTH

The Hawaii State AFL-CIO strongly supports H.B. 4 which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

Many union members working in Hawaii are fortunate to have access to paid sick days. Even a number of employers that do not have a collective bargaining agreement offer generous paid sick days to their employees and we commend them for providing such benefits. Regrettably, not all workers are provided access to paid sick days. In fact, according to the National Partnership for Women and Families, over 170,000 Hawaii workers or nearly 43 percent of the state's private-sector workforce are not able to take paid sick days when they are ill or when their children are ill. As a result, countless employees attend work sick as many of the 170,000 workers are low-wage service sector workers living paycheck to paycheck. This however can be changed for the better.

Supporting H.B. 4 will provide workers who need it the most with a few paid sick days a year. Children who are sick will finally be able to stay at home and recover and sick employees will finally have the opportunity to regain their health allowing them to return to work at full productivity. And most importantly, the spread of illness will be greatly reduced among coworkers, school children and the general public. Hawaii will become a healthier state, a more productive state and of course a state that recognizes the impact of how contagious the flu or other diseases can be to Hawaii residents. A small number of paid sick days a year can go a long way to improving the quality of life for many.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira President





The Voice for Hawaii's Ocean Tourism Industry 1188 Bishop St., Ste. 1003 Honolulu, HI 96813-3304 (808) 537-4308 Phone (808) 533-2739 Fax timlyons@hawaiiantel.net

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT Rep. Aaron Ling Johanson, Chair Rep. Daniel Holt, Vice Chair

Rep. Jarrett Keohokalole Rep Rep. Mark M. Nakashima Rep Rep. Roy M. Takumi

Rep. Kyle T. Yamashita Rep. Lauren Kealohilani Matsumoto

NOTICE OF HEARING

DATE:Tuesday, February 14, 2017TIME:8:30 AMPLACE:Conference Room 309





TESTIMONY OF THE OCEAN TOURISM COALITON OPPOSED TO HB 4

Chair Johanson, Vice Chair Holt, Members of the LAB Committee:

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC). The OTC represents over 300 small ocean tourism businesses state wide. Most of these are family businesses which are locally owned and operated. Many of them have been in business for several decades and are an important and valued part of their respective communities. Most of these businesses operate from State Boating Facilities. Our industry is labor and capital intensive with small profit margins.

OTC is opposed to this HB 4 as written for several reasons, here are a few:

- The required record keeping documenting hours worked and paid sick leave taken is onerous for small businesses.
- Short notice oral request of leave for a variety of reasons with no documentation of need required. This will promote abuse of the system with no recourse by the employer. Our members operate vessels that run at specific time and require licensed Captains and trained crew. We cannot operate a vessel without the required staff. If crew calls in sick last minute we can't operate until we find replacement crew. As HB 4 is written, it provides little or no consideration to the Employer with very punitive noncompliance enforcement against the Employer.

- Accrued paid sick leave used in smaller than one hour increments. Four hours should be the minimum increment. As proposed it would shut down any scheduled vessel operation if the captain or crew show up half hour late and say they were sick. They could do that over half the work days each year. Can you imagine how an airline would operate like that? Boats have very similar staffing and customer service requirements.
- HB4 uses much of the same language as a San Francisco county ordinance, Section 12w.4. Because of the similarity, We request that the following language be added to Section 3 of the act:
- (e) An employer may require employees to give reasonable notification of an absence from work for which paid sick leave is or will be used.
- (f) An employer may take reasonable measures to verify or document that an employee's use of paid sick leave is lawful.
- This would give an employer some ability to prevent the abuse of the sick leave. At the very least, this would help to deal with situations where an employee repeatedly takes sick leave following holidays, Mondays, and Fridays.

We see many challenges for small businesses with the broad provisions in HB 4. We believe this bill needs to be reworked to give small businesses some protection.

Please do not pass HB 4, however, if you do pass it, please add the language proposed above.

Sincerely,

James E. Coon, President OTC



From:	mailinglist@capitol.hawaii.gov	
Sent:	Monday, February 13, 2017 3:44 PM	
То:	LABtestimony	
Cc:	annsfreed@gmail.com	
Subject:	Submitted testimony for HB4 on Feb 14, 2017 08:30AM	

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S Freed	Hawaii Women's Coalition	Support	No

Comments: Aloha Chair Johanson, Vice Chair Holt and members, While the Coalition would prefer a comprehensive family leave bill, this measure would go far in addressing the need of Hawaii's Families to care for themselves and family members. We are particularly heartened that this would apply to all employers since so many women in Hawaii work in low-paying jobs in all levels of business. And as to the anticipated objections from some in the business community, it is more cost-effective to give employees sick leave than it is to retrain news ones or pay the price of sick, stressed employees coming to work, making mistakes and/or infecting others on the job. Plus, golly gee, it's the right thing to do. Mahalo, Ann S. Freed, Co-Chair, Hawaii Women's Coalition

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.







From:	mailinglist@capitol.hawaii.gov	
Sent:	Tuesday, February 14, 2017 11:42 AM	
То:	LABtestimony	
Cc:	jackie@fair-wind.com	
Subject:	Submitted testimony for HB4 on Feb 14, 201	7 08:30AM

Submitted on: 2/14/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing	
Jackie Moore- Andresen, PHR	Fair Wind Cruises	Oppose	No	

Comments: Comments: We request that the following language be added to Section 3 of the act: • (e) An employer may require employees to give reasonable notification of an absence from work for which paid sick leave is or will be used. • (f) An employer may take reasonable measures to verify or document that an employee's use of paid sick leave is lawful. Please do not pass HB4, however, if you do pass it, please add the language proposed above.

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.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO



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

The Twenty-Ninth Legislature, State of Hawaii House of Representatives Committee on Labor and Public Employment

Testimony by Hawaii Government Employees Association

February 14, 2017





H.B. 4 - RELATING TO HEALTH

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 4, which requires employees to provide a minimum amount of paid sick leave to employees.

We represent more than 27,000 public-sector employees who enjoy the benefit of paid sick leave for healthcare. No employee should be forced to choose between their wellbeing and their job. Taking time off to care for one's illness not only protects the employee, but also protects their families, colleagues, and customers by reducing the chances of spreading illness. Providing employees with a few days of paid sick leave is an investment that not only supports the employee, but our community as a whole.

Thank you for the opportunity to testify in support of H.B. 4.

Respectfully sub mitted.

Randy Perreira Executive Director





Testimony to the House Committee on Labor & Public Employment Tuesday, February 14, 2017 at 8:30 A.M. Conference Room 309, State Capitol

<u>RE:</u> HOUSE BILL 4 RELATING TO HEALTH

Chair Johanson, Vice Chair Holt, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **opposes** HB 4 which requires employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ 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 does not believe that this benefit should be mandated by legislation. Employers already have to deal with many mandated benefits for employees, which have steadily increased the employer's burden as well as the cost of doing business in Hawaii.

Employers provide sick leave so employees can recover from a health illness or injury. Many employers are quite generous with sick leave benefits. If companies are not allowed to manage their employee's usage of sick leave, it may lead to abuse. This may cause some employers to reduce sick leave time or switch to a PTO system, which will reduce the time a worker may take for vacation and sick leave. For those with a serious health problem, that is a serious setback.

While most workers utilize their sick leave only when ill, there is a percentage of workers who abuse this benefit. CareerBuilder.com reported that 1 in 4 workers consider sick leave to be vacation time. This bill would make it very difficult for employers to manage their employees and the benefits provided.

We respectfully ask that this bill be held in committee. Thank you for the opportunity to testify.







From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 13, 2017 3:52 PM
То:	LABtestimony
Cc:	mendezj@hawaii.edu
Subject:	*Submitted testimony for HB4 on Feb 14, 2017 08:30AM*

Submitted on: 2/13/2017 Testimony for LAB on Feb 14, 2017 08:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	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.



Brian Kitagawa, President Dave Rolf, Executive Director

HADA testimony in OPPOSITION to HB 4 RELATING TO HEALTH

Presented to the House Committee on Labor and Public Employment at the public hearing to be held 8:30 a.m. Tuesday, February 14, 2017 in Conference Room 309, Hawaii State Capitol by the Members of the Hawaii Automobile Dealers Association Hawaii's franchised new car dealers

Chair Johanson, Vice Chair Holt and Members of the Committee:

I am David Rolf, representing the members of the Hawaii Automobile Dealers Association, Hawaii's franchised new car dealers, who work at maintaining a safe, healthy work environment and who, for the most part, employ a company benefit package for employees that is called "Paid Time Off." (PTO)

PTO allows the employee to elect what combination of paid vacation, sick leave, family leave, and personal paid time off the employee would like to utilize as part of the company's benefit package, without feeling the need to "call in sick" in order to take a paid time off day.

The Bill does not define "sick."

When I was in the elevator this morning I asked another rider, "Do you think it's okay to go to a ball game on sick leave? The person threw back his head and laughed out loud saying, "Of course it is!"

The structure of HB 4 may thus have the affect of encouraging deception in the workplace.

This is the main reason employee benefit plans should be kept under the purview of companies

It has taken decades for some of Hawaii's companies to develop their company's employee benefit plans to include provisions for employee paid time off --for a variety of worthy reasons. Government insertion into these plans, with provisions like HB 4's, lack of clarity with regard to specific purpose of paid time off, increased record-keeping requirements, and accrual requirements.... are not in the best interests of employees and companies.

HADA respectfully requests that the committee hold the bill.

Respectfully submitted, David H. Rolf for the members of the Hawaii Automobile Dealers Association