LEONARD HOSHIJO DEPUTY DIRECTOR



# STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

February 22, 2019

To: The Honorable Sylvia Luke, Chair,

The Honorable Ty J. K. Cullen, Vice Chair, and Members of the House Committee on Finance

Date: Friday, February 22, 2019

Time: 12:30 p.m.

Place: Conference Room 308, State Capitol

From: Scott T. Murakami, Director

Department of Labor and Industrial Relations (DLIR)

# Re: H.B. No. 1191 H.D.1 RELATING TO MINIMUM WAGE

# I. OVERVIEW OF PROPOSED LEGISLATION

HB1191HD1 amends section 387-2, Hawaii Revised Statutes (HRS), by increasing the minimum wage in five annual increments from \$10.10 to \$15.00 per hour beginning January 1, 2024. The measure also adds a provision for lower minimum wages for employees who receive health care coverage under their employer's prepaid group health care plan.

DLIR supports the intent of this measure and offers comments.

# II. CURRENT LAW

The current minimum wage is \$10.10 per hour as of January 1, 2018. There is no provision for lower minimum wages for employees receiving health care coverage under their employer's group health care plan.

Section 393-11, HRS, provides that employees who work at least 20 hours per week for four consecutive weeks and earns per month at least 86.87 times the minimum hourly wage specified in chapter 387, HRS, must be provided prepaid health care coverage.

# III. COMMENTS ON THE HOUSE BILL

DLIR supports the intent of an increase in minimum wage, but notes that the measure is unclear as to which of the two minimum wage rates is to be used to calculate the minimum earnings needed qualify for prepaid health care coverage as required by Section 393-11, HRS.

If enacted, the measure would result in more complicated investigations and complaints. Therefore, DLIR suggests favorable consideration of its request for an additional staff as identified in HB1186 as a method to bolster enforcement and to help restore capacity of the Wage Standards Division.

# A F S C M E

#### HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

The Thirtieth Legislature, State of Hawaii
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association
February 22, 2019

# H.B. 1191, H.D. 1 – RELATING TO MINIMUM WAGE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the general premise of increasing the minimum wage for all workers in Hawaii. As drafted, H.B. 1191, H.D. 1 increases the minimum wage rates on January 1, 2020 by bifurcating the wage increases based on receiving benefits under the Hawaii Prepaid Health Care Act and indexes future increases to the consumer price index. However, if given a choice, we prefer the language in the original H.B. 1191 which increased the minimum wage to a higher rate and subsequently indexed the minimum wage to the Honolulu consumer price index for future years.

We fully recognize that health care benefits are a critical component of any employee's total compensation package. Since state and county employees are exempt from the provisions of the Hawaii Prepaid Health Care Act, many of our members pay 40% of the total cost of their medical premiums regardless of how much they earn which depending on the plan and type of enrollment, can be as high as \$1,300 per month for family coverage. This is simply unaffordable and forces too many government employees to take second, and sometimes third, jobs just to get by. The wage increases outlined in H.B. 1191, H.D. 1 will positively impact much of the government workforce.

Additionally, Hawaii's minimum wage is \$10.10 per hour or \$21,000 a year for a full-time non-tipped minimum wage worker; however, our high cost of living continues to outpace wage increases. We believe increasing the minimum wage over the next five years is one tool that will continue to spur Hawaii's economy. We strongly support increasing a minimum wage earner's purchasing power and thus generating much needed consumer spending.

spectfully submitted.

Thank you for the opportunity to testify in support of H.B. 1191, H.D. 1.

Randy Perreira

**Executive Director** 







Corey Rosenlee President Osa Tui Jr. Vice President Logan Okita Secretary-Treasurer

Wilbert Holck Executive Director

# TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: HB 1191, HD1 - RELATING TO MINIMUM WAGE

FRIDAY, FEBRUARY 22, 2019

COREY ROSENLEE, PRESIDENT HAWAII STATE TEACHERS ASSOCIATION

Chair Luke and Members of the Committee:

The Hawaii State Teachers Association <u>supports HB 1191, HD1</u>, <u>with the suggested amendments</u>, relating to minimum wage.

Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

This bill, prior to the HD1 amendments, would have increased our state's minimum wage to \$17 in 6 steps from 2020 to 2025. This new House draft will only increase the minimum wage to \$15 by 2024. According to DBEDT, the self-sufficiency income standard for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. Since HB1191, HD1 would provide for a lower wage for employees who receive employer-paid health insurance, it would also make sense to amend the language to make \$17 the lower-tier wage, and then offer a higher wage for employees who don't get health insurance from their employers, and also amend it back to the language in HD1 with 6 steps to reach \$17 by 2025.

Our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill would have Hawaii join them.

However, tipped workers in Hawaii can be paid even less than \$10.10. Seven states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.



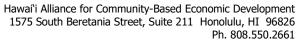
1200 Ala Kapuna Street \* Honolulu, Hawaii 96819 Tel: (808) 833-2711 \* Fax: (808) 839-7106 \* Web: www.hsta.org

Corey Rosenlee President Osa Tui Jr. Vice President Logan Okita Secretary-Treasurer

Wilbert Holck Executive Director

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

To provide a living wage to all workers in Hawaii, the Hawaii State Teachers Association asks your committee to <u>support</u> this bill with suggested amendments.



Email <a href="mailto:info@hacbed.org">info@hacbed.org</a> www.hacbed.org



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Brent N. Kakesako Executive Director

Keoki Noji Chief Operating Officer

Athena T. Esene

Bookkeeper & Office Manager

Foley Pfalzgraf Program Specialist

Chelsie Onaga AmeriCorps VISTA Date: February 20, 2019

To: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen,

Vice-Chair, and members of the Committee on Finance

From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic

Development (HACBED)

Re: Support for HB1191 HD1 with amendments

Aloha Chair Luke, Vice-Chair Cullen, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports HB1191 HD1, with amendments, which increases the minimum wage annually from January 1, 2020 through January 1, 2024. We ask that the bill be improved to raise the wage to at least \$17 per hour and \$14 for those who get health insurance from their employer, restrict the health care credit to only small businesses with 25 or fewer employers, and phase out the health care credit over 5 years.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development and asset building strategies. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED played a facilitating role in the State Asset Policy Task Force and was a key contributor to the State Asset Policy Road Map. HACBED also facilitated the Family & Individual Self-Sufficiency Program (FISSP), which administers the Internal Revenues Services' Volunteer Income Tax Assistance (VITA) program as a part of its larger asset building and financial education initiatives for needy families. As such, HACBED supports the proposed bill with amendments, that would provide an increase in the minimum wage while supporting small businesses with a tax credit to offset those increases.

Through HACBED's efforts with providing VITA services, we have heard countless stories of the importance that a stable wage provides. HB1191 HD1 would increase our state's minimum wage to \$15 in 5 steps from 2020 to 2024. According to DBEDT, the self-sufficiency income standard for an individual with no keiki in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. As such, we ask the Committee that this bill should be improved by continuing to raise the wage to at least \$17 per hour and \$14 for those who get health insurance from their employer, restrict the health care credit to only small businesses with 25 or fewer employers, and phase out the health care credit over 5 years.

Mahalo for this opportunity to testify,

Brent N. Kakesako Executive Director Hawai'i Alliance for Community-Based Economic Development The Thirtieth Legislature Regular Session of 2019

THE HOUSE Committee on Finance Representative Sylvia Luke Chair Representative Ty J.K. Cullen, Vice Chair State Capitol, Conference Room 308 Friday, February 22, 2019; 12:30 p.m.

# STATEMENT OF THE ILWU LOCAL 142 ON H.B. 1191, H.D.1 RELATING TO MINIMUM WAGE

The ILWU Local 142 **supports** H.B. 1191, H.D.1, which increases minimum wage rates annually from January 1, 2020 through January 1, 2024 and provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

Hawaii low-income workers are struggling – in fact, any individual earning less than \$40,850 in Hawaii is considered "very low income" according to the U.S. Housing and Urban Development. And unfortunately, a full-time minimum wage worker in Hawaii struggles to make \$20,000 a year or essentially half the income as a "very low income" worker in Hawaii. What this tells us is we clearly have a wage crisis and to make matters worse, the National Low Income Housing Coalition proclaims a renter in Hawaii needs to earn over \$36 an hour to simply afford a modest two-bedroom rental. Further, to add salt to the wound, Hawaii has seen a population decline for the second straight year amounting to the fifth highest population decline among all the states. The truth is, Hawaii residents simply cannot afford to live in Hawaii and raising the wage to a living wage will help keep our families together, reduce the number of homeless from our streets and inject millions of dollars into our economy that relies heavily on consumer spending.

We also would like to provide some comments regarding the lower minimum wage rate for employees who receive employer health care coverage. While Hawaii is unique with the Hawaii Prepaid Health Care Act it should be noted that Massachusetts also requires employers of 10 or more to provide health care coverage to full-time workers and just recently enacted a \$15 minimum wage measure with no health care minimum wage deduction including a statewide family/paid leave program that business in Hawaii do not have to provide. Further, the Chamber of Commerce including other business organizations have often argued that minimum wage workers are teenagers working part-time jobs which means many likely wouldn't qualify for employer health care coverage. On the other hand, if many minimum wage workers are teenagers and happen to work full-time, their employer health care coverage (premiums) would be cheaper than that of an older employee. Lastly, an increase in the minimum wage does not result in higher premium rates but could decrease the amount owed by an employer by a slight amount since they have the ability to charge 1.5% of the employee's monthly gross earnings. Nevada's minimum wage approach is similar to this approach but reduces the minimum wage by \$1.00 if the employer offers health care coverage -a \$1.00 or \$2.00 approach seems more reasonable especially if most minimum wage earners are teenagers with less expensive premiums.

Often, we hear bigger businesses have the ability to afford an increase to the minimum wage but smaller business may struggle with the increase - at least initially. We suggest amending the health care credit to apply to smaller business under 25 and phasing out the health care credit over a period of five years – an approach similar to Seattle.

There are also some concerns regarding the accounting for a two-tiered minimum wage approach that is tied with the Hawaii Prepaid Health Care Act. Workers qualify for employer health care coverage after working four consecutive weeks and are employed for 20 or more hours per week. Employment hours could change weekly or monthly resulting in employees losing employer mandated health care coverage or gaining health care coverage. This means the minimum wage could vary from employee to employee depending on their hours worked.

That being said, we appreciate the time and effort to draft a proposal that could increase the minimum wage for thousands of workers in Hawaii and hope to continue this conversation during the next few months of session. We would also like to see the repeal of the tip credit language. To date, seven states have eliminated the tip credit for their minimum wage workers including California and Nevada which have a large service sector economy.

Thank you for the opportunity to offer testimony on this measure. The ILWU urges the passage of H.B. 1191, H.D.1.

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**MAILING ADDRESS** 

Feb. 20, 2018

TO: Honorable Chair Luke & FIN Committee Members

RE: HB 1191 HD1 Relating to the Minimum Wage

Support for hearing on Feb. 22

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support the minimum wage hike; we would like to see a \$17 per hour minimum wage. We would prefer the hike happen sooner than later. Workers today cannot survive on less than \$17/hour which equals \$2720 per month. This amount assumes ½ of income would go to housing, i.e. \$1360/month rent. That is not going to get you luxury but should keep you off the street. We need a living wage to reduce homelessness and welfare dependency.

We are favorable to giving an incentive for employers to give health care to their part-time employees. We also would like a provision for an annual adjustment tied to CPI-W. This would bring the minimum wage to what it was a few decades ago before it fell behind due to inflation.

Also evidence from Seattle indicates a higher minimum wage neither causes more unemployment nor causes inflation.

Thank you for your favorable consideration.

Sincerely,

John Bickel President





Friday, February 22, 2019

House Bill 1191 HD1
Testifying in Support With Amendments

Aloha, Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance,

The Democratic Party of Hawai'i (The Party) **supports, with amendments, HB1191 HD1 Relating to the Minimum Wage**, which increases minimum wage rates annually from January 1, 2020 through January 1, 2024 and provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

Workers earring the minimum wage today are making only \$21,000 annually. This in the state with the highest cost of living and among the highest housing costs in the country. At this wage, it's no wonder we have the highest per-capita rate of homelessness in the nation. Working full-time at the current \$10.10 an hour, an individual has to work 109 hours a week to afford a one-bedroom apartment.

Despite messaging to the contrary, the minimum wage was not initially established to provide an "opening" or "training" wage for young or new workers. It was never intended as a starting wage for teenagers joining the workforce. In fact, in the wake of industrialization and the Great Depression, the federal minimum wage was established to ensure workers were being paid enough to survive.

According DBEDT's Self-Sufficiency Income Standard<sup>1</sup>, in 2016, an individual living in Honolulu needed to be making \$33,350 a year to be "self-sufficient." This works out to \$15.84 per hour. This works out to \$17 in 2019. It is for this reason primarily that the Party, believes the State Legislature should move the minimum wage to \$17 an hour as quickly as possible, but slowly enough to allow businesses to adapt and to avoid job losses.

From 2014, when the last minimum wage increase was passed, to 2018 Hawai'i's unemployment rate dropped for each of the four consecutive years the minimum wage increased. Obama's Council on Economic Advisors looked at 19 state-level minimum wage increases and concluded that "the recent legislation contributed to substantial wage increases with no discernible impact on employment levels or hours worked."

Though the Party appreciates the work of the Committee on Labor and its support for increasing the minimum wage, we believe the amounts currently proposed do not go far enough to get workers to a living wage. As such, we ask that the bill be amended to restore the \$17 and \$14 amounts in the original draft.

While the measure addresses some of the concerns of the business community, we would

ask that the included health care credit be phased out over a five year period. To ensure the bill is addressing legitimate concerns of small business, as opposed to those of big business and box-stores, we would ask that the health care credit be limited to those small businesses with 25 or fewer employees.

The Party recognizes the challenges small businesses face in Hawai'i, but we do not believe those challenges should be prioritized over the needs of working people. The talking points from the Chamber of Commerce and the Restaurant Association are based on conjecture and are designed to instill fear in legislators. It is important we find a way to address the reasonable concerns of small businesses while ensuring one job is enough to make a living in Hawai'i.

For all these reasons, we urge you to pass this bill with amendments.

Mahalo for the opportunity to testify,

Keali'i S. Lopez

Chair, Democratic Party of Hawai'i

1. <a href="http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency/2016.pdf">http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-suff



# **HOUSE BILL 1191, HD 1, RELATING TO MINIMUM WAGE**

FEBRUARY 22, 2019 · HOUSE FINANCE COMMITTEE · CHAIR REP. SYLVIA LUKE

**POSITION:** Support, with suggested amendments.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus supports and suggests an amendment for HB 1191, HD 1, relating to minimum wage, which increases minimum wage rates annually from January 1, 2020 through January 1, 202, and provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$32,957 to achieve self-sufficiency in Hawai'i in 2016, while a single parent with one child required \$56,157. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time employee earns only \$21,008 annually. Moreover, the National Low Income Housing Coalition's Out of Reach 2018 report estimates that a minimum wage worker would have to work 109 hours per week to afford a one-bedroom rental home at fair market rent, which is the equivalent of nearly three full-time jobs.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has also grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services, thereby putting their increased earnings back

into the local economy, increasing demand, raising local profits, and uplifting the Aloha State's overall economy. Over the same time span, we have experienced record low unemployment and seen the number of small businesses increase. Hawai'i will likely see the same impact under new minimum wage increases, leading to greater prosperity for all.

We appreciate that this measure links future minimum wage increases to the Hawai'i consumer price index for all urban consumers for the twelve months prior to September 1 of each year as calculated by the United States Department of Labor. Furthermore, we hope that offering businesses a choice between paying an elevated minimum wage or a lower wage with healthcare will incentivize employers to provide full-time jobs to workers, who frequently string together multiple low-wage jobs to make ends meet, in some cases receiving no health benefits from any single employer as they are kept below the 20-hour threshold for statutorily required employer-sponsored medical insurance.

That said, we urge you to amend this measure by phasing out the lower minimum wage for workers receiving employer-sponsored healthcare contained on page 3, lines 3 through 12, of this bill over five years, mirroring the gradual phase-in of the lower wage. Doing so will ensure that in a decade, all workers are being paid the top minimum wage rate and are more able to meet their families' basic needs. We further urge the committee to only allow small businesses with 25 or fewer employees—so-called "mom and pop shops"—to pay workers the lower wage. Finally, we believe that the minimum wage thresholds contained in the bill should be amended to \$17 for employees who do not receive employer-sponsored healthcare and \$14 for those who do, as called for by the original draft of this proposal. A minimum wage of \$15 and, even more so, \$12.50 is simply not enough to survive as our state's cost of living continues to soar.

We must provide economic justice to working families. We should not forego this legislative opportunity to help our islands' working poor, whose financial situation becomes more precarious with each passing year.

# TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: HB 1191, HD1 - RELATING TO MINIMUM WAGE

FRIDAY, FEBRUARY 22, 2019

MITZIE HIGA, LEGISLATIVE CHAIR DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Luke and Members of the Committee:

The Democratic Party of Hawaii Labor Caucus supports HB 1191, HD1 with the suggested amendments, relating to minimum wage.

Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

HB1191 would increase our state's minimum wage to \$17 in 6 steps from 2020 to 2025. According to DBEDT, the self-sufficiency income standard for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. Since HB1191 would provide for a lower wage for employees who receive employer-paid health insurance, it would make sense to amend the language to make \$17 the lower-tier wage, and then offer a higher wage for employees who don't get health insurance from their employers.

Our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill would have Hawaii join them.

However, tipped workers in Hawaii can be paid even less than \$10.10. Seven states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

To provide a living wage to all workers in Hawaii, the Labor Caucus asks your committee to **support** this bill with suggested amendments.

# HB-1191-HD-1

Submitted on: 2/20/2019 10:07:44 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Leimomi Khan	Democratic Party of Hawaii, Hawaiian Affairs Caucu	Support	No

# Comments:

# Support with amendments:

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why we respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, we also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of our testimony.

# HB-1191-HD-1

Submitted on: 2/21/2019 1:03:12 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jalem Correia	Young Progressives Demanding Action - Hawai'i	Support	No

# Comments:

Our Honorable Legislators of the House,

According to HUD last year, a \$40K salary in Honolulu was considered to fall into the 'very low income' tier. I support this bill In order to protect the well-being of many who are suffering. Especially the disabled, and those who come from disadvantaged and underserved communities. With respect and Aloha, thank you for allowing me a moment of your time.



TO: House Finance Committee

RE: Testimony in Support of HB1191 with Amendments

2/21/2019

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Whenever you scroll through your Facebook feed or turn on the tv and watch the news and a report on the affordability of Hawaii comes up, the headlines are never good

- Hawaii residents most likely to live paycheck to paycheck
- Hawaii has the lowest real-wage in the nation
- Hawaii's population declines yet again as locals leave for other states

These depressing headlines have become the norm for the islands, and more and more locals are being priced out of paradise

Hawaii needs a raise. People working 40-hours a week should be able to afford their basic needs. According to the State's own Department of Business, Economic Development and Tourism (DBEDT) an individual would have to make \$32k a year, about \$17/hr, to afford their most basic needs.

Contrary to popular belief, this would not benefit only entry level workers. An Aloha United Way study found that 40% of jobs in the State do not pay this living wage and 48% of families do not make ends meet. A vast majority of Hawaii workers would be better off from a higher wage.

In the recent past Hawaii has raised the minimum wage. From 2014 to 2018 Hawaii's minimum wage was raised from \$7.25/hr to \$10.10/hr.

During this time, in July 2018, unemployment in Hawaii reached a historic low of 2%, the lowest unemployment rate in the history of the entire country. Now this is not to say that the wage increases reduced unemployment, but what it does show is that increasing the minimum wage did not ruin Hawaii.

With unemployment so low, labor is in high demand. If you walk around the mall you will see help wanted signs everywhere, with starting wages ranging from \$11.50-\$15/hr. Businesses themselves are realizing that the current minimum wage of \$10.10 is too low to attract hires.

As more and more states across the nation raise their minimum wages, studies continually report findings of little to no negative impact on worker hours and unemployment rates. When properly phased in over time, a minimum wage increase benefits the local economy.

We support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why we respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, we also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, we also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of our testimony.

Mahalo for your consideration,

Landon Li

**Economic Justice Chair** 

Young Progressives Demanding Action

# HB-1191-HD-1

Submitted on: 2/21/2019 9:01:19 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Oahu County Democrats	Support	No

#### Comments:

Dear Chair Luke, and Members on the Committee on Finance,

I am writing in support of House Bill 1191, HD1, Relating to the Minimum Wage.

The Platform of the Oahu County Democrats informs our support for minimum wage increase:

"As the party of working people in Hawaii, we work to... institute fair labor practices [including] a living wage for all workers." Given the great economic disparities of our present-day economy on Oahu, a minimum wage raise is overdue, as multiple decision-making bodies of the Democratic Party of Hawaii and the Oahu County Democrats have repeatedly found.

Research from agencies like DBEDT and non-profits like the Appleseed Center have repeatedly found that our current minimum wage is inadequate. Those workers making the lowest wages are lagging far behind the levels of income necessary to provide for basic sufficiency. This is a form of working poverty that robs people of housing security, food security, educational attainment, and keeps families one paycheck away from disaster.

The raises established in this bill, HB1191, are modest and incrementally phased as appropriate to transition to a living wage. DBEBT found that \$17 per hour was the minimum wage necessary for self-sufficiency.

There are always complex considerations to such expansive measures, particularly for small business and restaurant workers. These can be, as they have always been with minimum wage revisions, phased in with appropriate mitigations to protect small business. We can, in effect, all arrive together at the solution: which is a vibrant economy that works for all its families, with HB1191 HD1 as a key component.

For economic activity and growth, the goose that lays the golden eggs is consumer spending. Consumer spending will stagnate without raising the minimum wage to \$17 per hour. Small business absolutely needs more consumers and higher consumer spending, which has long been established in economics as highly elastic at the lower

income levels, and steeply responsive to increases in discretionary income. The best way to increase discretionary income is to raise worker wages to a living wage, \$17 per hour.

I urge all members of the Committee on Finance to vote 'aye' on this measure, for the good of our working people. In summary, the Oahu County Democrats and its tens of thousands of members support HB1191 HD1.

Respectfully,
Dylan P. Armstrong, Vice Chair
Oahu County Democrats
Liaison for Committees on Ways & Means and Finance, Oahu County Committee on
Legislative Priorities (OCCLP)



# PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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Karen Tan
Colin Moore
Gavin Thornton
Trisha Kajimura
Debbie Shimizu, Ex Officio
Natalie Okeson, Exec. Dir.

TO: Chair Cruz, Vice Chair Cullen, and Members, Committee on

Finance

FROM: Pedro Haro, Advocacy Director, PHOCUSED

SUBJECT: Testimony in Support of HB1191 HD1, Relating to Minimum

Wage

Hearing: February 22, 2019 at 12:30 pm

Conference Room 308

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

PHOCUSED supports HB 1191 HD1, with the amendments described below.

PHOCUSED is a nonprofit, nonpartisan organization dedicated to increasing the safety for, visibility of, and investment in the children and adults in Hawaii who are marginalized, impoverished, and under-served. Our organization has been a leading voice in advocating for our homeless populations since our formation, as the membership of PHOCUSED and our Board of Directors represent many of the major providers of human services across our state.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

PHOCUSED, with years of history working with homeless and people with few resources, understands that the economic impact that families face in Hawaii. With our astronomical cost of living, the jobs that our most vulnerable populations are able to attain are not paying wages enough to keep them housed and sustainable. At an income of less than \$25,000 per year for full-time work, minimum wage is simply not a livable wage.

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.



# PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

That is why we respectfully request the following amendments to this bill:

- 1. Increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.
  - 2. Restrict the health care credit to only small businesses with 50 or fewer employees, as major employers have the ability to fund higher wages.
  - 3. Phase out of the health care credit be over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

We urge you to please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of our testimony.

# **Board of Directors**

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PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.

# HB-1191-HD-1

Submitted on: 2/20/2019 4:31:42 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Younghi Overly	AAUW of Hawaii	Support	No	l

### Comments:

Dear Chair Luke, Vice Chair Cullen, and members of the House Committee on Finance,

Thank you for this opportunity to submit a testimony in support with a request for amendments for HB1191 HD1. HB1191 HD1 would raise the minimum wage in five steps to \$15 per hour by 2024. But the minimum wage for the workers who receive health insurance from their employers would be raised only to \$12.50 per hour or \$26,000 per year by 2024.

According to DBEDT, the self-sufficiency income standard (aka living wage) for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour[1], which comes out to \$17 in 2019. I request that HB1191 HD1 be amended to increase the minimum wage to \$17 per hour, and \$14 per hour for those who get health insurance from their employers. To avoid a permanent two-tiered wage, I also request that the health insurance credit be phased out over 5 years.

Thank you for your consideration.

11 http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency\_2016.pdf



Testimony of Hawai'i Appleseed Center for Law and Economic Justice In Support of HB 1191 HD1– Relating to Minimum Wage House Committee on Finance Friday, February 22, 2019, 12:30 PM, conference room 308

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for this opportunity to submit testimony in SUPPORT of HB 1191 HD1, with AMENDMENTS.

We all hear the stories of families who are moving away from our state because they can't afford to live here. Our unique location in the middle of the ocean, as well as the very limited amount of land that we can build housing on, cause our prices to be higher than the rest of the nation. We need a minimum wage that can keep up with our cost of living.

You'd think that with the lowest unemployment rate in the nation, our workers would've seen big raises over the past few years. Yet we have **the lowest average wage in the nation**, i when you adjust for our cost of living. ii Something's out of balance. There's a lot of evidence that it's not just our prices, but also our low wages.

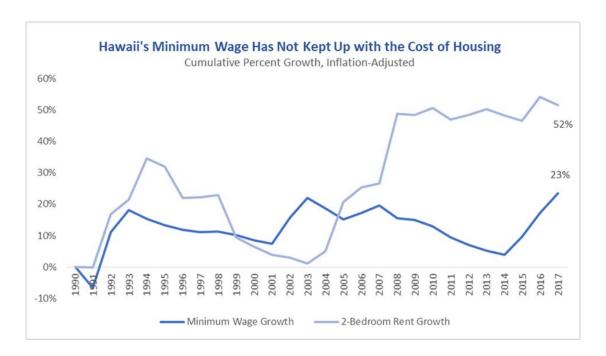
How much do you need to earn to make ends meet in Hawai'i? Here are a few answers:

- \$17 per hour in 2019 for a single person with no children and \*with\* employer-provided health insurance, according to our own state's Department of Business and Economic Development & Tourism, iii
- \$27.44 an hour to afford a 1-bedroom rental in Hawai'i in 2018, according to the National Low-Income Housing Coalition, iv
- **\$24.78 an hour** in 2017 for a single person with no children in Honolulu County to have a "modest yet adequate standard of living," according to Economic Policy Institute's family budget calculator, v
- \$21.52 an hour in 2018 for a single childless worker in Hawai'i to achieve "basic economic security," according to the Institute for Women's Policy Research. vi

With the highest cost of living in the nation, \$10.10 an hour is not a living wage for a single adult in Hawai'i, much less parents raising children. As low-wage jobs become the new normal, working families are falling further and further behind even as the economy continues to grow.

The Hawai'i Appleseed Center for Law and Economic Justice 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.

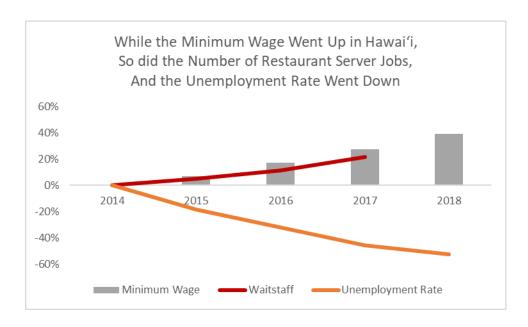
Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour). At that rate, a **Hawaii minimum wage worker has to work 109 hours per week just to pay rent for a 1-bedroom apartment**. According to the Aloha United Way, 48 percent of families in our state struggle with incomes below a minimum survival budget. Vii



Meanwhile, consumer spending is the largest driver the economy -- accounting for two-thirds of GDP. And minimum wage workers spend a larger portion of their income than anyone else. When they make more, they spend more. As their wages grow, so too does their spending at local businesses. A minimum wage hike promises to boost consumer demand and, in turn, our state economy's growth.

Moreover, study after study shows that higher wages are good for businesses' bottom lines. Higher wages improve employee morale, productivity, and loyalty, in turn reducing costly turnover and training. Employees work harder because they want to keep their jobs, rather than looking for another with higher pay.

Despite claims to the contrary, decades of research – as well as real-world evidence – have proven that raising the minimum wage does not cause businesses to shed jobs. Between 2015 and 2018, when the minimum wage in Hawai'i rose by 39 percent, our state's unemployment rate dropped by 52 percent. And since the minimum wage started rising in 2015, there was an increase in restaurant server jobs of 22 percent.



The latest major academic study on the minimum wage, in 2017, found that, on average, 137 minimum wage increases since 1979 reduced the number of jobs paying \*less\* than the new minimum while adding jobs paying \*at or above\* the new minimum, effectively canceling each other out. viii

In 2016, President Obama's Council of Economic Advisers looked at 19 recent state-level minimum wage hikes and concluded that "the recent legislation contributed to substantial wage increases with no discernible impact on employment levels or hours worked." ix

A paper in 2015 analyzed 15 years of minimum wage research and found "no support for the proposition that the minimum wage has had an important effect on U.S. employment." A 2013 study reviewed the literature since 2000—including two meta-studies—and concluded that minimum wage increases "have no discernible effect on employment." xi

In 2017, a University of Washington paper that claimed to find negative job effects from Seattle's minimum wage increase made a lot of headlines mainly because it contradicted the existing body of research. In fact, a few days earlier, a University of California, Berkeley, study that found that Seattle's minimum wage increase had beneficial effects drew almost no media attention. It is a superior of the contradiction of the c

Since then, major flaws in the University of Washington paper have been found by economists at institutions such as the Economic Policy Institute, the University of California, Berkeley, and the Center for American Progress. As a result, some eminent economists who initially affirmed the Seattle paper have retracted their endorsements of it. xiv

HB 1191 HD1 would increase our state's minimum wage to \$15 in 5 steps from 2020 to 2024. However, employers who provide health insurance to their employees would be able to pay a lower wage, which would max out at \$12.50 per hour in 2024.

Since DBEDT finds that a self-sufficiency wage for a single worker with employer-provided health insurance in \$17 per hour in 2019, we respectfully request that you amend this bill to:

- Raise the wage levels to top out at \$17 per hour in 2024, with \$14 for those workers with employer-provided health coverage,
- Limit the health care credit to small businesses with 25 or fewer employees, and
- Phase out the health care credit.

Please pass HB 1191 HD1, with the amendments described above. Thank you for your consideration of this testimony.

https://data.bls.gov/cew/apps/table\_maker/v4/table\_maker.htm#type=0&year=2017&qtr=A&own=0&ind=10&supp=1

<sup>&</sup>quot;https://www.bea.gov/system/files/2018-05/rpp0518.pdf

iii http://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency\_2016.pdf

iv https://nlihc.org/oor/hawaii

<sup>&</sup>lt;sup>v</sup> https://www.epi.org/resources/budget/

vi http://www.basiceconomicsecurity.org/best/budget.aspx

vii https://www.auw.org/alice

viii https://www.sole-jole.org/17722.pdf

ix https://voxeu.org/article/minimum-wage-increases-and-earnings-low-wage-jobs

<sup>\*</sup> https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2705499

xihttp://cepr.net/press-center/press-releases//new-paper-finds-modest-minimum-wage-increases-have-little-impact-onemployment

xii https://evans.uw.edu/sites/default/files/NBER%20Working%20Paper.pdf

xiii http://irle.berkeley.edu/files/2017/Seattles-Minimum-Wage-Experiences-2015-16.pdf

xivhttps://www.washingtonpost.com/news/wonk/wp/2018/02/05/raising-the-minimum-wage-doesnt-cost-jobs-multiple-studies-suggest/



# HB 1191, HD 1, RELATING TO MINIMUM WAGE

FENRUARY 22, 2019 · HOUSE FINANCE COMMITTEE · CHAIR REP. SYLVIA LUKE

**POSITION:** Support, with suggested amendments.

**RATIONALE:** IMUAlliance supports and suggests amendments for HB 1191, HD 1, relating to minimum wage, which increases minimum wage rates annually from January 1, 2020 through January 1, 202, and provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$32,957 to achieve self-sufficiency in Hawai'i in 2016, while a single parent with one child required \$56,157. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time employee earns only \$21,008 annually. Moreover, the National Low Income Housing Coalition's Out of Reach 2018 report estimates that a minimum wage worker would have to work 109 hours per week to afford a one-bedroom rental home at fair market rent, which is the equivalent of nearly three full-time jobs.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has also grown. People earning more income, especially at the lower end of the pay scale, spend money on basic goods and services, thereby putting their increased earnings back into the local economy, increasing demand, raising local profits, and uplifting the Aloha State's overall economy. Over the same time span, we have experienced record low unemployment and

seen the number of small businesses increase. Hawai'i will likely see the same impact under new minimum wage increases, leading to greater prosperity for all.

We appreciate that this measure links future minimum wage increases to the Hawai'i consumer price index for all urban consumers for the twelve months prior to September 1 of each year as calculated by the United States Department of Labor. Furthermore, we hope that offering businesses a choice between paying an elevated minimum wage or a lower wage with healthcare will incentivize employers to provide full-time jobs to workers, who frequently string together multiple low-wage jobs to make ends meet, in some cases receiving no health benefits from any single employer as they are kept below the 20-hour threshold for statutorily required employer-sponsored medical insurance.

That said, we urge you to <u>amend this measure by phasing out the lower minimum wage for workers receiving employer-sponsored healthcare contained on page 3, lines 3 through 12, of this bill over five years, mirroring the gradual phase-in of the lower wage. Doing so will ensure that in a decade, all workers are being paid the top minimum wage rate and are more able to meet their families' basic needs. We further urge the committee to <u>only allow small businesses with 25 or fewer employees—so-called "mom and pop shops"—to pay workers the lower wage.</u> Finally, we believe that <u>the minimum wage thresholds contained in the bill should be amended to \$17 for employees who do not receive employer-sponsored healthcare and \$14 for those who do, as called for by the original draft of this proposal. A minimum wage of \$15 and, even more so, \$12.50 is simply not enough to survive as our state's cost of living continues to soar.</u></u>

We must provide economic justice to working families. We should not forego this legislative opportunity to help our islands' working poor, whose financial situation becomes more precarious with each passing year.

# HB-1191-HD-1

Submitted on: 2/20/2019 8:53:51 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

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

# Comments:

Aloha Representatives,

While the LGBT Caucus of the Democratic Party of Hawaii appreciates the intent of HB 1191 HD 1 we respectfully request that if this bill is moved out of committee that it has the minimum wage reach \$15.00 an hour by 2022 and remove the pro-rated hourly rate for those that receive health care benefits.

Mahalo for your consideration and for the opportunity to testify.

Mahalo,

Michael Golojuch, Jr.

Chair

LGBT Caucus of the Democratic Party of Hawaii



# **Testimony to the House Committee on Labor and Public Employment**

Friday, Feb. 22nd, 2019 @ 12:30pm

Conference Room 308, State Capitol

RE: House Bill 1191 Relating to Minimum Wage

Position: Support - Amend to a Living Wage

Chair Luke. Vice Chair Cullen, and Members of the Committee:

Thank you for this opportunity to testify in support of increasing the minimum wage.

#### U.S. Chamber of Commerce No Longer Opposing all Minimum Wage Increases

In January the President and CEO of the US Chamber of Commerce for 20 years, Thomas Donohue, said they're not automatically opposing minimum wage increases. "In times past, we always would say, 'Well, wait a minute,' look, these are different times, and we're going to listen. We're not going out and opposing, but some states have got legitimate concerns here."

If he recognizes the need for some states to get raises, Hawaii, with the lowest real minimum wage in the nation is definitely most deserving of one.

# \$12.50 is not Enough

As HB1191 stands, a full-time worker will get \$0.50 annual increases and earn \$12.50 per hour in 2024. This is a slower increase than workers are getting in Arkansas and Missouri. According to the Hawaii's Department of Business Economic Development and Tourism, a single childless adult requires approximately \$35,000 annually, or \$17 per hour to be able to afford their basic necessities working 40 hours a week and 52 weeks a year. At the proposed minimum wage of \$12.50, a full-time worker will earn only \$26,000. This requires working adults to either put in 58 hours on the job per week, to sacrifice their well-being by going without their basic necessities, or to depend on the generosity of society to make up the difference.



# Low wage floor encourages worker exploitation

As many businesses in Hawaii work on slim margins, it's necessary that they reduce their costs wherever possible. If they can find someone to work for \$10.10 per hour rather than \$12 per hour, it is viewed as an effective way to help the bottom line and remain competitive. This race to the bottom might help small businesses stay afloat, but the consequence is that more than 200,000 workers are paid well below the \$17/hr required to keep them alive.

We should not depend on the selflessness of businesses to sacrifice and offer higher wages for the benefit of their employees, but rather we should level the playing field for all businesses. The minimum legal wage should be at least enough to provide that worker the ability to afford their basic needs and not depend on the state or society for help.

Without this mandated wage floor, Hawaii's lawmakers are encouraging and almost requiring businesses to exploit the labor force in order to cut costs. As long as one businesses is willing to pay below a living wage then many others must be willing to do the same.

### **Economic growth faster during minimum wage hikes**

Despite the consistent rhetoric that our economy will collapse if low-wage workers are paid enough to afford their basic needs, the 4 year period from 2014 to 2018 when the minimum wage increased 39.2% from \$7.25 to \$10.10, the economy grew faster than in the previous 4 years.

From 2010 to 2014, Hawaii's real GDP per capita increased 5.5% compared to the US economy which increased by 7.5%. From 2014 to 2018, Hawaii's real GDP per capita increased 10.4%, while the US economy only grew by 10.0%.

# Jobs in Hawaii at all-time highs

Hawaii's employment numbers are currently at all-time highs following 4 straight years of minimum wage increases. In 2014 when the minimum wage was \$7.25, there were 667,000 people employed in Hawaii. In 2018, with a \$10.10 minimum wage, there were 687,000 people employed in Hawaii.

Restaurants have also felt this economic boom by employing 20% more wait staff now than in 2014.



# **Unemployment near record lows**

This 4 year span from 2014 to 2018 was also met with all-time low unemployment rates. The unemployment rate dropped from 4.3% in 2014 to 2.1% in 2018. Finding a job in Hawaii today is easier than when the minimum wage was only \$7.25

# Low-wage workers much better off

With the significant increase in the minimum wage, a full-time minimum wage worker earns \$6,000 more per year now than in 2014. As unemployment is near record lows, there is ample opportunity for them to find a job that pays them more. If we continue raising the minimum wage, low and middle income workers will benefit significantly.

# All workers better off with minimum wage hikes

This economic boom was felt by workers across the spectrum. From 2014 to 2018 the real median wage of the Hawaii worker increase by more than 5%, after adjusting for inflation. This left the average full-time worker with more than \$2,000 to spend or save. Compared to the period between 2010 and 2014 when real worker wages declined by 4% and left full-time workers poorer by more than \$1,500 annually.

### Increases in cost of living were slower during minimum wage hikes

Paying low wage workers more has not shown to lead to massive cost increases for the average consumer. The annual rate of inflation between 2010 and 2014 was 2.3% compared to only 1.9% between 2014 and 2018.



# A majority of legislators support a living wage

We are fortunate to live in a Democratic state with so many legislators that stand with Democratic Party principles. A majority in the House have already come out to publicly support a living wage including 9 out of 15 members of the Finance Committee: Representatives Cullen, Gates, Hashimoto, holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger. We are excited that these members now have the opportunity to stand by their positions and honestly represent the needs of their community for a living wage.

Here are the 27 House members that publicly support a living wage:

District 2 - Chris Todd	District 30 - Romy Cachola
District 5 - Richard Creagan	District 31 - Aaron Johanson
District 6 - Nicole Lowen	District 32 - Linda Ichiyama
District 7 - Dru Kanuha	District 35 - Roy Takumi
District 8 - Troy Hashimoto	District 37 - Ryan Yamane
District 10 - Angus McKelvey	District 38 - Henry Aquino
District 11 - Tina Wildberger	District 39 - Ty Cullen
District 14 - Nadine Nakamura	District 44 - Cedric Gates
District 16 - Dee Morikawa	District 46 - Amy Perruso
District 20 - Calvin Say	District 47 - Sean Quinlan
District 22 - Tom Brower	District 48 - Lisa Kitagawa
District 23 - Dale Kobayashi	District 49 - Scot Matayoshi
District 28 - John Mizuno	District 51 - Chris Lee
District 29 - Daniel Holt	

Thank you again for the opportunity to testify. Please amend this language to increase the minimum wage to a living wage and allow this measure to be voted on and passed.

# HB-1191-HD-1

Submitted on: 2/20/2019 9:26:51 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Mulinix	Our Revolution Hawaii	Support	No

# Comments:

Aloha,

On behalf of our 5,000 members and supporters statewide, Our Revolution Hawaii testifies in strong support of HB 1191. Raising the minimum wage to a Living Wage is essential to raise the standard of living of low income people and to improve our economy.

This bill is important because it would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why we respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Mahalo, Dave Mulinix, Our Revolution Hawaii

<u>HB-1191-HD-1</u> Submitted on: 2/21/2019 11:43:44 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ben Robinson	IP Xpert of Honolulu LLC	Support	No

Comments:



## O'ahu County Committee on Legislative Priorities

COMMITTEE ON FINANCE Rep. Silvia Luke, Chair Rep. Ty J.K. Cullen, Vice Chair

DATE: Friday, February 22, 2019 TIME: 12:30 p.m. PLACE: Conference Room 308 State Capitol

#### RE: HB 1191, HD 1 Relating to Minimum Wage

To the Honorable Silvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice Chair; and Members of the Committee on Finance:

I am Melodie Aduja, Chair of the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Mahalo for this opportunity to submit testimony on HB 1191, HD 1. The O'ahu County Committee on Legislative Priorities ("OCCLP") hereby submits its testimony in **SUPPORT with amendments of HB 1191, HD 1**, relating to Minimum Wage.

HB 1191, HD 1, provides: "387-2 Minimum wages. (a) Except as provided in section 387-9 and this section, every employer shall pay to each employee employed by the employer, wages at the rate of not less than: . . .

- (8) \$11.00 per hour beginning January 1, 2020;
- (9) \$12.00 per hour beginning January 1, 2021;
- (10) \$13.00 per hour beginning January 1, 2022;
- (11) \$14.00 per hour beginning January 1, 2023; and
- (12) \$15.00 per hour beginning January 1, 2024.

DPH believes that the current minimum wage is a starvation wage and must be increased to a living wage. No one who works full time should have to raise a family in poverty. We should earn at least \$15 an hour (OCCLP requests for an amendment to increase the minimum wage to \$17 an hour) and have the right to form or join a union and will work in every way we can – in Congress and the Federal government, in the State Legislature and with the private sector – to reach this goal. We also support creating a fair wage for all workers by ending the sub-minimum

wage for tipped workers and people with disabilities. *Democratic Party of Hawai`i Platform* (2018), p. 5, ln. 37-42.

For the foregoing reasons, i.e., that the current minimum wage is a starvation wage and must be increased to a living wage; no one who works full time should have to raise a family in poverty; and employees should earn at least \$15 an hour (OCCLP requests for an amendment to increase the minimum wage to \$17 an hour), OCCLP supports with amendments HB 1191, HD 1, and urges its passage out of the Committee on Finance.

Mahalo nui loa Me ka `oia`i`o

Melodie Aduja

Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i

Ph. (808) 258-8889

|s| Melodie Aduia

Email: legislativepriorities@gmail.com



February 21, 2019

To: Representative Sylvia Luke, Chair Representative Ty Cullen, Vice Chair

House Committee on Finance

From: Laura Nevitt, Director of Public Policy

Hawaii Children's Action Network

Re: H.B 1191– Relating to Minimum Wage

Hawaii State Capitol, Room 308, February 22, 12:30 PM

On behalf of Hawaii Children's Action Network (HCAN), we are writing to SUPPORT with Ammendment, H.B. 1191, which would increase the minimum wage rates annually beginning January 1, 2020. Provides a lower rate for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health CAre Act. Provides for inflation-adjusted annual increases beginning in 2026

Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

HB1191 would increase our state's minimum wage to \$17 in 6 steps from 2020 to 2025. According to DBEDT, the self-sufficiency income standard for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. Since HB1191 would provide for a lower wage for employees who receive employer-paid health insurance, it would make sense to make \$17 the lower-tier wage, and then offer a higher wage for employees who don't get health insurance from their employers.

Our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill would have Hawaii join them.

However, tipped workers in Hawaii can be paid even less than \$10.10. Seven states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

For these reasons, HCAN urges you to pass H.B 1191 with amendments.

HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education.



Kelii Gouveia, Chairman – Duke's Waikiki Tammy Fukugawa, Vice Chair – TS Restaurant Michael Miller, Treasurer - Tiki's Grill & Bar

Tom Jones, Incoming Chair - Gyotaku Dirk Koeppenkastrop, Secretary – IL Gelato Hawaii Tyler Roukema, Past Chair - Outrigger Canoe Club

Sheryl Matsuoka, Executive Director Leila Morinaga, Executive Assistant Holly Kessler, Director of Membership Relations

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#### Wade Hashizume **Allied Members:**

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Victor Lim

To: Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

Members of the Committee on Finance

From: Victor Lim, Legislative Lead

Hawaii Restaurant Association

HB 1191 HD 1Relating to Minimum Wage Subj:

February 20, 2019 Date:

We at the Hawaii Restaurant Association representing over 3,500 restaurants here oppose HB 1191 HD 1 that will increase our state's minimum wage starting at \$ 11 per hour on January 1, 2020 with increments going to \$15 per hour in January 1, 2024.

A very recent study done in New York City where they went to \$15.00 per hour, more than three quarters of the restaurant in the New York City have reduced employee hours since the new wage went into effect. In a survey by the NYC Hospitality Alliance, 76.5 percent of full-service restaurants said they plan to reduce employee hours and 53 percent said they plan to eliminate jobs this year.in response to the mandated wage increase.

Compounding with our high rents and also high mandated costs here such as pre-paid health care, many businesses will definitely struggle to survive since not all cost increases can be passed to the consumer in the form of price increases.

Thank you for giving us an opportunity to share our concerns.





#### **MOLOKAI CHAMBER OF COMMERCE**

P.O. Box 515 Kaunakakai, HI 96748

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www.molokaichamber.org

February 21, 2019

HOUSE OF REPRESENTATIVES
THE THIRTIETH LEGISLATURE
REGULAR SESSION OF 2019

HOUSE COMMITTEE ON FINANCE

February 22, 2019 @ 12:30pm Rm 308 State Capitol, 415 South Beretania Street

#### OPPOSE HB 1191 HD1, RELATING TO MINIMUM WAGE.

Aloha Honorable Chair Luke, Vice Chair Cullen and Committee Members:

As a representative organization of the neighbor-island of Molokai with dozens of members who employ hundreds of our neighbors, friends and families, we are respectfully submitting testimony to **OPPOSE** HB 1191 HD1.

Small businesses make up the majority of our island's business community and any additional mandates that increase the cost of doing business could have a substantial negative impact on their operations and financial health.

With already burdensome and costly regulations from both the State and Maui County, and the fact that it simply costs more to do business on Molokai because of our isolated geographic location, two way shipping cost of goods and products, and our limited economies of scale, raising the minimum wage by nearly 50% over 5 years is sure to cause many of our businesses to alter their operations to absorb these costs.

Fewer future hires, laying off current employees, increased retail costs to customers, and an overall decrease in business operations isn't the way to maintain a healthy business community, which supports our hard working families. But that's exactly what this measure will do. Our business community can only shoulder so much, and this measure goes beyond that.

We support our working families and our business community provides the jobs to do so. Please help us to continue supporting the financial health and well being of our island business community and residents by opposing this measure.

For these reasons, among others we humbly ask you do not pass this bill and hold it in committee.

Sincerely,

Robert Stephenson, President & CEO

# Testimony to the House Committee on Finance Friday, February 22, 2019 at 12:30 P.M. Conference Room 308, State Capitol

#### RE: HOUSE BILL 1191 HD1 RELATING TO MINIMUM WAGE

Chair Luke, Vice Chair Cullen and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **does not support** HB 1191 HD1, which increases the minimum wage rates annually beginning January 1, 2020. This bill would also provide a lower rate for employees who receive employer-sponsored benefits under the Hawaii Prepaid Health Care Act.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

National data has differed on their opinion of the effects that an increase in the minimum wage could have on employers and their businesses. However, should this bill pass, it will no doubt harm local businesses, the state economy, job creation and, potentially, the very employees it is trying to help.

#### A Minimum Wage Increase is not a One-Size Fits All Fix

The number of small businesses across the state of Hawaii vary from the size of the business, to the number of employees or even the products and goods that they sell. A rise of the minimum wage will have an impact that will be felt throughout the small business community. We have heard from many members regarding what would happen to their businesses if the minimum wage were to be increased. Some of our members have said that their businesses would be able to absorb the additional costs of an increase in minimum wage. However, we have heard from other members that an increase could be the final straw for their businesses and that it would make more sense to close shop.

One of the business owners that we have heard from, someone who has owned a restaurant for over 30 years and employs around 25 workers has indicated that even the smallest increase being considered for a minimum wage increase will cost them nearly \$45,000 more on hourly wages in the first year. This owner has also indicated that most likely they will need to raise prices, cut back on the premium health care that their business currently offers, and most likely also cut hours. This is also an owner that has used his business to help

contribute millions of dollars to charitable causes in Hawaii through fundraisers, donations and other efforts throughout the years.

We hope that lawmakers will take this into account when considering the impact that a minimum wage would have on small businesses across the state.

#### Minimum Wage vs. Living Wage

Recently, when considering a minimum wage increase, proponents have tied it to the argument that workers need to be making a livable wage. The Chamber understands and emphasizes with working families and the challenges that they face with the high cost of living in Hawaii. That is why we believe we need to look at the whole picture of factors that are affecting workers here in Hawaii. A minimum wage increase is not going to be the silver bullet that will fix all the problems. Living wage is a complex, multifaceted issue and we need to look at our high cost of living, lack of available and affordable housing, and reliance on imported goods and energy when considering a living wage.

#### **Other Important Factors for Consideration**

Increasing the minimum wage will also greatly affect job opportunities, especially for new, unskilled workers. In addition to traditional adult workers changing industries, young adult workers also often receive their initial work experience by starting at unskilled jobs. As mentioned previously in our testimony, business owners are telling us that raising the minimum wage will result in some businesses having to cut salaries and positions and raise prices on their products. Raising wages does put more money into circulation of the economy; however, it also can lead to fewer jobs, fewer hours worked for employees, and in some cases, the loss of the business entirely.

A recent survey conducted by the New York City Hospitality Alliance asked restaurants in New York City about the impacts that these businesses are facing with a recent increase in the minimum wage at the end of 2018 to \$15 per hour. Roughly seventy-five percent of the more than 300 respondents operating full-service restaurants indicated that they'll have to reduce employee hours in 2019 because of the new wage increase. Forty-seven percent of respondents even went as far as saying that they would be eliminating jobs. When asked about if prices on the menus would increase, close to ninety percent of respondents said they expected to see menu prices raised this year.

Labor is just one of the components of a business's costs. In Hawaii, we are the only state in the country that requires employers to provide health care for all employees that work 20 hours or more per week. During the Chamber's recent Health Summit event, the Deputy Insurance Commissioner provided our members with an outlook on the continued rising costs of healthcare in Hawaii. During his presentation, he talked about how the cost of premiums for

medical and drugs in 1974 were just \$17.50 per individual per year. In 2015, those costs rose to nearly \$600 per individual. In 2026, it is anticipated that the costs will rise to about \$14,000 per individual, a cost that will certainly impact small businesses should it continue to rise. While we appreciate that this bill tries to address this issue by offering another bracket of minimum wage increases for employers who provide healthcare, we still must consider that small business owners have said that even the slightest increase will have an impact on them.

There is also a misconception that business owners here in Hawaii are uncaring, something that our members are hearing and frustrated by. This could not be further from the truth. The business owners that we've had the opportunity to talk to have all said that their employees are like family – they spend many hours, days, months, and even years working together to help serve our communities. We've also heard from business owners who have cut into their profits in order to provide their employees with better benefits, free meals during employees' shift, opportunities to earn bonuses, and the availability of premium healthcare coverage.

While our economy at this time is healthy, we note that the minimum wage has never been decreased when the economy enters a recession. The Council on Revenues recently lowered the state's forecasted revenue growth because of a projected slowdown. Hawaii is also just one year removed from the last incremental increase of the minimum wage that began in 2015 to raise the minimum wage to the current \$10.10 level. We still are trying to determine what type of impact this raise had on our local businesses, so we encourage the committee to take this into consideration.

For all the above reasons, we respectfully ask that this bill be held. Thank you for the opportunity to express our views and concerns.



Testimony of

Mufi Hannemann President & CEO Hawai'i Lodging & Tourism Association

Committee on Finance

House Bill 1191 HD1: Relating to Minimum Wage

Chair Luke and members of the committee, mahalo for the opportunity to submit testimony on behalf of the Hawai'i Lodging & Tourism Association, the state's largest private sector visitor industry organization.

The Hawai'i Lodging & Tourism Association—nearly 700 members strong, representing more than 50,000 hotel rooms and nearly 40,000 lodging workers—respectfully opposes House Bill 1191 HD1, which would increase the minimum wage rates annually beginning January 1, 2020.

The minimum wage should not be viewed as a "living wage" - it is a starting point for most individuals as they enter the work force. The majority of our members already pay their employees well above the minimum wage, for instance at certain properties housekeepers start at over \$23 an hour. Therefore any attempt to raise the minimum wage, especially in the hospitality industry, should take into account that wages and benefits constitute the largest single expense for most businesses in the service sector. As such, any increase in these costs—be they in the form of hikes in wage-based employee taxes and insurance, unceasing rises in mandatory health insurance premiums, or higher wages—will increase the cost of operations and the ability to compete against businesses with lower operating costs. In the visitor industry, where we are constantly being tapped for additional tax revenues, we vie against lower-wage and lower cost destinations on the mainland, Mexico, the Caribbean, and elsewhere, the price of airfare, hotel room, ground transportation, meals, shopping, and visitor attractions must reflect not only value, but be priced reasonably.

Mahalo for the opportunity to offer this testimony.

Submitted on: 2/21/2019 8:51:16 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Neil Ishida	ABC Stores	Oppose	No	

#### Comments:

ABC Stores respectfully oppose HB 1191. We are very concerned with the current push to increase the minimum wage and the unintended consequences this will have on businesses in Hawaii. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through wages, benefits, growth, and career opportunities.

We would also like to point out that the minimum wage is a *floor wage*. For many employees earning the minimum wage, it is because this is their first job and, generally, are entry-level positions. Employers must invest time and money to train these individuals.

With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses will be forced to decrease the number of employees or the number of hours an employee works, and cut benefits currently offered to employees.

Mahalo for this opportunity to testify.

Submitted on: 2/20/2019 5:45:23 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jackie De Luz Watanabe	Big Island Toyota	Oppose	No

Comments:

#### Constituents:

On behalf of a small business that has survived for 55 years on the Big Island through literally eruptions, hurricanes, and tsunamis, I ask that you support our businesses by hearing our voices. We know and understand first hand that the cost of living in Hawaii is high, but raising wages is not the answer as it will put yet another financial burden on shrinking margins for small business owners and their employees.

We do not pay many of our employees minimum wage however for the few that we do, entry-level, students, part-timers, if their wages are raised then our full-time employees who have full benefits will also expect a commensurate increase. After all, someone who just started, has no experience, or is working part-time while going to school or have other means of support in their eyes are not comparable to their position.

It is not that we can then pass along our costs to the consumer. Competition comes from everywhere in this day and age and it is not simply an option if you want to survive in this free enterprise system.

Please do not get me wrong, I support the people of Hawaii and those who work hard each and every day. Like me, I believe they dream of raising their family here and working in the communities they love which is some of the best lifestyles anywhere in the world. If your intent is to provide a great life for the citizens of Hawaii, our state already does that. Let the businesses thrive and you will have the balance we all need to live and thrive.

Thank you for your time,

Jackie De Luz Watanabe, third generation

Submitted on: 2/21/2019 9:18:21 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Allan Raikes	Condominium Rentals Hawaii	Oppose	No	

## Comments:

Additional burden on business

Lead to low skilled jobs being replaced by machines. (See Lowes, Home Depot, Safeway check outs)

Increased costs to consumers.

Bad idea!!

Submitted on: 2/21/2019 10:23:46 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Janis Tanga	For J's Hawaii Inc.	Oppose	No	

#### Comments:

#### Aloha,

I am totally against minimum wage increase. I'm a very small family business with only 4 employees. I use to have 9 employees. I'm struggling with price increase in everything direction. Insurance, workmans comp., ingredients, shipping, supplies, rent, medical insurance, and on and on. No wonder there is an increase in small business closing down. Why? Something isn't right. I can say that if there is an increase in wages, I might have to close down too. I've been in business since June 2001 under Tanga Co. I've increased my revenue but I can't keep up with overhead increases. It's been a struggle and I'm looking at even more struggles ahead. Please take in consideration the many small business here in Hawaii. What will happen to us?

Mahalo, Janis Tanga For J's Hawaii Inc.

Submitted on: 2/21/2019 11:11:16 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Dirk Koeppenkastrop	IL Gelato Hawaii	Oppose	Yes	

Comments:

Testimony Bill HB1191

To: Chair, Vice Chair and Members of the Committee

Subject: HB1191 Relating to Minimum Wage

Date: February 21, 2019

My name is Dirk Koeppenkastrop and I am the founder and owner of IL Gelato Hawaii. I am a graduate from the University of Hawaii and as there are no higher-level jobs as a chemist my wife and I started a small business here in Honolulu eight years ago.

We make all natural high quality gelato (ice cream) here in Hawaii and sell wholesale to restaurants and operate two retail locations. We have approximately 50 employees and most of them part time. The proposed bill is challenging the existence of our gelato business.

In our gelato stores we offer work to high school students and unskilled workers who often have their first jobs with us. They come with little to no experience and need a lot of training and supervision, which we provide. This was acceptable when the minimum

wage was \$7.25 per hour. With wages are going beyond \$10.10 we will have a problem to continue to operate our business.

Our workers have the opportunity to earn tips on top of their hourly wage, giving an incentive to provide excellent customer service. Our customer's come for high quality ice cream and friendly and service and tipping is common and an additional source of income for our staff.

A scoop of ice cream at our store was \$3.75 and had to be increased due to increased labor and cost and rents to \$4.25. Our overall sales have gone down since our price increase was implemented. We assume that less people are buying our products as we are considered to be too expensive for local families.

We receive a lot of comments via social media and Yelp reviews that we are too expensive. Our food costs in Hawaii are the highest of the nation. Our rents are the highest of the nation. Energy and insurance cost are higher than anywhere else. It is very difficult to operate a business in Hawaii. We cannot increase our scoop prices, as we would loose our local customers. If payroll continues to increase so substantially we need to close our business, which would challenge our existence and we could no longer offer entry-level jobs to those young people.

For all the reasons above, we strongly oppose this bill. Thank you for allowing us to share our view.

Sincerely.

Dirk Koeppenkastrop, Ph.D.

Submitted on: 2/20/2019 12:50:26 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Devin Wolery	PCG Enterprises LLC	Oppose	No

#### Comments:

I own a small business in hawaii for the last 11 years. Increasing my employee count over the years to a max of 7.

Over the last few years of increasing min wage. we have had to raise our prices and then still make less money. As the taxes we have to pay on the higher wages also eat at us as well.

Raising min wage does not make minimum wage workers any better off. them getting better education or trade school's will get them more money. If they have no skills they should not be guaranteed money. All this does is hurt small business more, and increase inflation.

i STRONGLY OPPOSE THIS BILL

**Board of Directors 2018 - 2020** 

TESTIMONY FROM BENNETTE MISALUCHA, EXECUTIVE DIRECTOR

President Joshua Uyehara In Opposition of HB1191, HD1 Relating to Minimum Wage

Vice-President

HOUSE COMMITTEE ON FINANCE February 22, 2019, 12:30 p.m.

Warren Mayberry

Conference Room 308

Secretary
Dawn Bicoy

Chair Luke and members of the committee:

<u>Treasurer</u> Laurie Yoshida The Hawaii Crop Improvement Association (HCIA) opposes HB1191, HD1, which increases the minimum wage annually from January 1, 2020 through January 21, 2024, and provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

Directors-at-Large Alan Takemoto Adolf Helm Leslie Campaniano Dan Clegg Joshua Uyehara Warren Mayberry

While we appreciate and understand the intent of this bill to increase wages for employees, we are concerned about the impact such a measure will have on farmers. Farmers are especially vulnerable to any increase in costs, especially those that operate on low margins. Other unintended consequences of this bill's passage could include a reduction in work hours for employees and even an increase in costs for consumers to offset the increased business costs.

President Emeritus
Alan Takemoto

Please oppose HB1191, HD1. Mahalo for your time and consideration.

Executive Director
Bennette Misalucha

Respectfully,

Bennette Misalucha

Executive Director, Hawaii Crop Improvement Association

The Hawaii Crop Improvement Association is a Hawaii-based 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.



1050 Bishop St. PMB 235 | Honolulu, HI 96813 P: 808-533-1292 | e: info@hawaiifood.com

#### **Executive Officers**

Toby Taniguchi, KTA Superstores, Chair
Joe Carter, Coca-Cola Bottling of Hawaii, Vice Chair
Charlie Gustafson, Tamura Super Market, Secretary/Treas.
Lauren Zirbel, HFIA, Executive Director
Beau Oshiro, C&S Wholesale Grocers, Past Chair
Stan Brown, Acosta Sales & Marketing, Advisor
Paul Kosasa, ABC Stores, Advisor
Barry Taniguchi, KTA Superstores, Advisor
Derek Kurisu, KTA Superstores, Advisor

TO:

Committee on Finance Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 22, 2019

TIME: 12:30pm

PLACE: Conference Room

RE: HB1191 Relating to Minimum Wage

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.

We appreciate the adjustments that have been made to this bill and recognize that in it's current form it is the least damaging of the measures regarding minimum wage increases. HFIA opposes this measure to increase the minimum wage over the next five years to \$15 an hour or \$12.50 an hour for employees who receive health coverage from their employer.

Locally owned businesses will be the most hard hit by these types of mandates, as they can not aggregate the profitability and viability of their business across other states that are more business friendly. We would hate to see even more locally owned businesses forced to sell or close by market pressure.

It is worth nothing that currently, the market is working to pay individuals well above the minimum wage. We don't need a mandate to make this happen. Wages are increasing without government mandates.

The minimum wage is a training wage. Employers pay unskilled employees lower wages while also providing them with skills, training, and experience, and preparing them to advance their

careers. Mandating another dramatic increase in the minimum wage will make it harder for employers to provide important entry-level positions to local high school kids. When employers can no longer afford to employ people in these positions they will be forced to either mechanize these roles, eliminate jobs, reduce other benefits, increase prices, sell their business or close their doors. Under this bill a high school student with no experience and training, would be paid \$15 an hour if they voluntarily decline health coverage from their employer because they are covered by their parents' plan.

Many retailers in high minimum wage areas across the country are already moving to eliminate jobs and replacing workers with self serve kiosks and self-checkouts. A recent survey of New York City restaurants found that after a mandate increased wages to \$15hr, over 75% of restaurants reduced employee hours, and over a third eliminated jobs.<sup>1</sup>

Businesses in Hawaii face a range of challenges and Hawaii is consistently ranked as one of the most difficult states for doing business. This is the only state in the country where employers are required to provide healthcare for employees working anything over 20 hours a week. It costs thousands of dollars a year beyond just salary for a business to employ a person in Hawaii. This bill will make it even more expensive for businesses in our state to be the employers and job creators that our economy depends on.

Food retailers will be especially hard hit by a measure like this, which will dramatically increase the cost of doing business. Grocery stores generally operate at a profit margin of around 1 or 2 percent. In addition to potentially eliminating jobs, many businesses will be forced to raise prices in order to compensate for a new higher wage scale. This could drive up prices of food and other necessities here, where we already have the highest cost of living in the country.

A correlation between prices and minimum wage increases has been documented. A report from William Blair, a global investment banking and management firm, concluded that when San Francisco's minimum wage increased 14% from \$10.74 to \$12.25 per hour<sup>2</sup> (May 1, 2015), prices at Chipotle increased proportionately. According to the report: All of the Chipotles in the area saw an "across-the-board" price increase. The hike included the chicken, pork, tofu and vegetarian prices, all of which increased 10 percent. The cost of steak and barbacoa rose 14 percent.

Increasing the price of food in our state is something we should be working to avoid. Hawaii's minimum wage has increased by over 20% in the past several years, the price of another substantial increase is going to be fewer Hawaii jobs, higher prices for Hawaii consumers, and doors closing on Hawaii businesses. This measure is not the right choice for our state. We ask that this measure be held.

<sup>&</sup>lt;sup>1</sup> https://www.usnews.com/news/national-news/articles/2019-01-16/survey-new-york-city-restaurants-cut-employees-close-after-mandatory-wage-increases

<sup>&</sup>lt;sup>2</sup> City & County of San Francisco Office of Labor Standards Enforcement. *Minimum Wage Ordinance*. San Francisco, CA, 2015. <a href="http://sfgsa.org/index.aspx?page=411">http://sfgsa.org/index.aspx?page=411</a> (accessed Oct. 9, 2015).

Another option to improve Hawaii's affordability, would be to remove taxes from food. We believe we need to find ways to improve residents' cash flow by addressing taxes on necessity purchases such as food.

Food is a significant expense for Hawaii families. In 2014, the average annual food expenditure for a two-person household was \$9,978 in Maui County, \$9,901 in Kauai County, \$9,467 in Honolulu County, and \$7,676 in Hawaii County. An average two-person household would save more than \$400 each year if food were exempt from the general excise tax, which is significantly more than the existing food income tax credit for low-income families. Larger households would enjoy even more significant savings.

Thirty-two states plus the District of Columbia exempt groceries from their sales taxes. Another six states tax groceries at lower rates than other goods. It is time for Hawaii to join this majority. Hawaii's high cost of living is a constant topic of conversation and each year we see several bills that try to address one aspect of this problem or another. Exempting groceries from the GET is a solution that would effectively make it less expensive to live in Hawaii.

Saving 4.712% on their grocery bill would mean that Hawaii families can put that money towards healthier eating, saving for retirement and investing in their communities. Keeping the money in the local economy and in the hands of people that need it benefits everyone. This exemption would favor lower-income households the most. Lower-income families spend a significantly higher percentage of their income on food.

Thank you for the opportunity to provide this testimony.



January 16, 2019

#### Aloha Senators & Representatives,

**Highway Inn** is very concerned with the current push to increase the minimum wage. We believe that such an increase will spark unintended consequences and end up hurting the very employee groups it is targeting – at least in our business sector. Moreover, State revenue receipts in GET and Taxes will drop, as customer dine-out less, businesses margins shrink and the market responds with increased consumer prices. ,

Hawaii has a disproportionate amount of minimum wage paying jobs (in our case waitstaff) where minimum wages are supplemented by a significant tip income that results in an average salary for the State. In 2016, one of our Waitstaff's gross W2 income was over \$70,000. Lastly, the State's inability to implement a Federal Law aimed at redressing wage inequality between tipped and non-tipped employees via the tip credit, we fear, is misunderstood.

We are proud of both our business and our employees and reward them with market-based salaries and benefits. We have a 401(k) program, and we provide PTO and Healthcare. The latter, as you know, is a significant cost which rises each year, and we are only allowed to deduct 1.5% of worker's salary to contribute to Healthcare costs. Nevertheless, we have to do what it takes to stay in business. In response to the recent hikes in the minimum wage, we have raised prices, invested in technology to save marginal <u>labor</u> costs, eliminated full-time jobs through attrition and begun using Amazon Business and other outsourced services. We have switched some suppliers from local to mainland providers and now have salaried managers pick up the slack of eliminated jobs.

If the minimum wage is increased further, we have no choice but to pass that increase along in higher prices to the customer. Rising our prices is the only course of action left because not only are restaurant margins not fat enough to absorb wage increases, but our suppliers are already raising their prices to us in addition to being legally prevented from redistributing tips (see below). In the past month, we received two letters from suppliers apologizing for having to increase prices to us because of their cost increases in wages and healthcare. Total employee costs already approach 40% of a restaurant operator's costs.

Rising prices will also reduce customer revenue, business profits (taxes) and GET income. From economic theory, when a good has an elasticity of demand greater than 1, rising prices will reduce overall revenues. Restaurant meals have an elasticity of demand of approximately 2.3. In other words, demand is very elastic. Meaning that for every 1% in price increase, the quantity of those meals purchased will fall by 2.3%. Because some of our Hawaiian Food is <u>labor</u> intensive and uses inputs from local farms, an increase in minimum wage from \$10.10 to \$15.00 will mean our Lau Laus will now retail

for \$12.95 up from \$7.95 today. A 63% price increase will mean demand for Lau Laus will fall by 150%. This will be devastating not only to <u>us</u>, but to our local vendors and similarly situated businesses.

In the past few years, our only tools to manage <u>labor</u> costs have been removed. We are unable to redirect any higher wages from the highest paid waitstaff because the State Tip Credit (which rebalances wage increases that flow to the highly paid waitstaff to non-tipped kitchen staff) has not kept up with spiralling minimum wage levels and is just 75¢. Tip Pooling (also, to redistribute wages) was eliminated several years ago when it was made illegal (although recent Trump Administration rulings have reversed this). Legislators can easily reduce the current and future burden on employers with lots of tipped workers by implementing a realistic tip credit of around 50% of minimum wage and ensuring employers redistribute those tip credits to non-tipped workers. Our Non-Tipped workers on average already make more than \$15.

At a macroeconomic level, forced minimum wage increases are simply inflationary, ineffective and lead to unanticipated outcomes. In a few years, prices will have increased in response, there will be fewer lower-skilled jobs and less State Income to pay for higher unemployment costs. Just look at the Federal government's recent set of tariffs on China, and how now \$9bn is needed to bail out mid-west farmers. This is a very recent, public and visible example of how poorly thought out government intervention has unintended consequences.

We currently employ 120 employees across three locations and contribute approximately \$300,000 in General Excise Tax to the state per year. This number will surely fall when demand for our product falls.

We hope that when contemplating passing legislation to raise the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

Thank you for your time and consideration of my concerns.

Sincerely,

Monica K. Toguchi Ryan
President & CEO
www.myhighwayinn.com
E: monica@myhighwayinn.com

T: (808) 954-4954



#### **Before the House Committee on Finance**

DATE: Friday, February 22, 2019

TIME: 12:30 p.m.

PLACE: Conference Room 308

Re: HB 1191, HD 1 Relating to Minimum Wage

Testimony of Melissa Pavlicek for NFIB Hawaii

Aloha Chair Luke, Vice Chair Cullen and members of the committee:

We are testifying on behalf of the National Federation of Independent Business (NFIB) in opposition to HB 1191 relating to minimum wage which increases minimum wage rates annually beginning January 1, 2020 and provides a lower rate for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act. It provides for inflation-adjusted annual increases beginning in 2026.

No one has greater incentive, responsibility or ability to lead the economy than Hawaii's small business owners. Therefore, lawmakers have a special obligation to ensure that public policies help spur economic growth by taking into account the unique perspective of those who are owning and operating a small business. Small businesses play a major role in the economy, representing 99% of all employer firms, employing about half of private-sector employees and generating 63% to 80% of net new jobs annually. Raising the minimum wage would make it harder for low-skilled or first-time workers to get jobs. We oppose this measure.

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 nearly 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.



## Testimony to the House Committee on Finance Friday, February 22, 2019 at 12:30 PM Conference Room 308, State Capitol

#### RE: HOUSE BILL1191 HD1 RELATING TO MINIMUM WAGE

Aloha Chair Luke, Vice Chair Cullen and Members of the Committee,

The Hawaii Food Manufacturer's Association (HFMA) strongly opposes any increase to Hawaii's minimum wage because it will hurt your middle-class constituents, while failing to help those the mandate is trying to help. HFMA is a non-profit organization of approximately 150 members that has been promoting Hawaiian grown or manufactured products since 1977. HFMA works to increase the understanding and appreciation of the unique flavors, quality, and care that go into the production of Hawaii's fine foods and beverages represented by our membership.

Raising the minimum wage violates the law of supply and demand and there is little evidence to support successful results from the last mandatory increase. There is ample evidence supporting that cost of goods has increased because of the last hike to the minimum wage. The minimum wage is an entry level wage and should not be confused with a living wage. Most of us know an increase will not help and won't acknowledge the real problem which is the high cost of land, which will take some bold thinking and creative strategies to solve but can be solved using the same basic principles of supply and demand.

The minimum wage is an entry level wage which allows businesses to hire employees lacking skills or abilities while providing them opportunity to move up in pay through merit. Paying more to the lowest producers in a company leaves less room in a budget to pay those who deserve more and make up our middle class. It will also force businesses to eliminate jobs that would give unskilled workers, like high school students, a chance at employment. After the last round of minimum wage increases, the poverty level has not miraculously gotten better because price of goods have only inflated as a reaction to the minimum wage increase. Many small businesses that are unable to sustain profitable margins, while trying to implement increases, have failed. The increases also price goods produced in Hawaii out of market for export contention. This is why only a select few large companies are able to grow revenue through export, while others struggle to scale due to labor costs.



The increase has good intention but displays little in terms of practical economic sense. Socialism simply does not work and is evidenced by failing economies like Greece, Venezuela, North Korea and even the demise of the USSR. Trying to force an increase in wages sounds good in the absence of an alternative solution but will continue to weaken Hawaii's economy. As the middle-class wages drop more, the best and the brightest will continue to leave for better opportunities elsewhere. This will allow large national conglomerates to take over as they can absorb the deficiencies of an entitled workforce where small businesses can't. Most businesses in Hawaii are small on a national and global scale.

Please work on finding a solution to the high costs of space to live and operate businesses. Perhaps leasing state lands at bargain prices to public/private partnerships so we can build affordable housing, not just for low income but anyone who doesn't mind dormitory style living units, to save for an upgrade later is an option. Same can be done for businesses creating shared work spaces – with cheap leases on land and sensible construction these residential and commercial units could be rented out at lower costs than available at current market prices.

These solutions would help both employers and employees instead of continuing to repeat a model that does not work, resulting in the following undesirable consequences:

- Entry level wages are designed for high school students, summer hires and unskilled labor with no previous experience
- Doesn't leave room for businesses to offer wage increases for employees that make up our middle class
- Business are less likely to hire
- Hawaii economy becomes a more service based industry
- Loss of Hawaii manufacturers
- Less startups due to labor cost barrier
- Foreign market sales decrease due to even higher priced products
- Businesses will have more incentive to automate and eliminate jobs
- All goods at supermarkets, restaurants and stores will increase in price due to labor costs in all these establishments. Within a short time \$15, \$17 or \$20 will no longer be a "livable wage" as seen in the last minimum wage increase
- The real problem is the cost of housing for Hawaii's residents and the cost of rent for businesses

Thank you for the opportunity to testify.

Mahalo,



Jimmy Chan President

Submitted on: 2/20/2019 8:47:14 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Present Position Hearin	
Benton Kealii Pang, Ph.D.	Individual	Support	No

## Comments:

HB1191 HD1 is an extremely important bill for Hawai'i and it's citizens. Put the people first, pay them a living wage and the aloha spirit can thrive again.

Submitted on: 2/21/2019 8:21:27 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Heather Kimball	Individual	Support	No

#### Comments:

It is time to raise the minimum wage in Hawaii to a living wage. Yesterday I bought a two-loaf pack of bread at Cost-U-Less for \$9.99 – one hour of minimum wage work. My total grocery bill was \$138.00 – two days' worth of minimum wage work for what will last my family of five about four days. Hawaii has the highest cost of living in the country and most of our families struggle to make ends meet. So many are just one medical emergency, one car repair away from not being able to make their housing payments.

For the last four decades we have seen wages stagnate while CEO pay has sky rocketed. I think we can all agree that wages are no longer tied to what a workers produce. Wages represent time, a worker's life. Time that could be spend with children, getting exercise or expanding an education. Is an hour of anyone's life only worth a two-loaf pack of bread?

The average age of a worker receiving minimum wage is 35 and more than a third are 40 or older. 58% of minimum wage workers are women and 28% of minimum wage workers have children. Nearly two thirds are employed full time and on average they earn more than half of their families' income. Data from the Economic Policy Institute.

Putting more money in the pockets of Hawaii's family's is the right thing to do. They will in turn use this greater spending power to fuel our economy. As a family with a small business that already pays employees above the minimum wage, a living wage allows us to recruit and retain the best employees.

It is time to do the right thing and raise the minimum wage to a living wage. I support HB1191 with the following amendments:

- Raise the wage levels to \$17 and \$14 per hour for those who receive health insurance from their employer.
- Restrict the health care credit to only small businesses with 25 or fewer employees.
- Phase out the health care credit over 5 years.

Thank you for your time and consideration,

## Heather Kimball

From: Lurline Bettencourt <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 3:24 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Lurline Bettencourt Email: lurline94510@yahoo.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Laura Ramirez <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 3:23 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Laura Ramirez

Email: lauraramirez87@hotmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Kathryn Braun <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 2:40 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Kathryn Braun

Email: kbraun2000@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That's comes out to less than \$25,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 50 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jonathan Boyne <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 2:49 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jonathan Boyne Email: boyne@hawaii.edu Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That's comes out to less than \$25,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 50 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

# FIN-Jo

From: Shannon Rudolph <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 2:58 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Shannon Rudolph

Email: shannonkona@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

# FIN-Jo

From: Kili Ling <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 3:31 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Kili Ling

Email: kililing101@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1. My name is Kili Ling and I'm an undergraduate student at the University of Hawai'i at Manoa. At the end of the Fall semester I will have my Bachelors Degree in Cultural Anthropology.

I am 23 years old and I am independent. I have lived on my own in Hawai'i since I graduated high school in 2014, and since then I have paid my own way. My first semester of college I applied and got my first job at a student convenience store on-campus and I think I was being paid around \$7 an hour. I pay my own rent for my apartment, I pay for my food, I pay for my textbooks for class, and I pay all my bills, most of which include private loan repayments that I had to take out because federal loans and scholarships didn't cover all of my expenses for school. As a college senior who has paid her way through school with mostly federal and private loans, the looming thoughts of loan repayments are slowly approaching as my December graduation date creeps closer and closer. The job where I work pays me \$11.95 per hour, slightly higher than the current minimum wage rate in Hawai'i, which is \$10.10. Currently, I can barely afford paying for everything I need to pay for with my wage rate. I am going to school to get an education that will prepare me for a career in the future however I don't know what exactly I want to do with my degree just yet. With no set plan lined up after graduation and needing to leave my current job as a student assistant because I will no longer be a student, I will be entering the world in an entry-level or minimum wage paying job here in Hawai'i. By that time, my student loan repayments will be four times higher than what I am paying right now, and I am stressed that even with a college degree that there may be a possibility of not being able to make ends meet because my bills are greater than my income.

Aloha United Way found that 48% of families in Hawai'i struggle with incomes below a minimum survival budget. Nearly half of families in Hawaii are struggling because of their income. It's hard to sometimes conceptualize data and numbers and it's easy to become desensitized to statistics. When I read this figure I can't help but think about the countless amount of other people like me, students with astronomical loan debt, struggling to find work that will help with their repayments that got them through school, while at the same time also paying for basic living needs. Or the many others in Hawai'i who don't just take care of themselves but also have a family to support, working a minimum wage job, often multiple jobs, struggling to do the bare minimum. Or the homes that are housing three plus generations because of how difficult it is to make ends meet on the current minimum wage rate.

Cities such as Seattle, Los Angeles, San Francisco, and Minneapolis are paving the way in providing living wages for

workers. One argument against raising the minimum wage is that it leads to higher rates of unemployment, however a study from UC Berkeley showed no employment loss in six cities that had raised wages above \$10 by 2016 — Seattle, San Francisco, Chicago, Washington D.C., Oakland and San Jose. Instead there was an average weekly earnings for workers in the food service industry went up between 1.3% and 2.5% for every 10% increase in the minimum wage. During the four years of minimum wage increases in Hawai'i, the Bureau of Labor Statistics reported there was a 52% percentage drop in the unemployment rate.

Another argument against the minimum wage is that it hurts small businesses. This argument and its counterargument are both complex. Bigger businesses may be able to afford paying their employees more with a raise in the minimum wage while smaller businesses may find it more difficult to do so. Though a lot of owners of small businesses are optimistic about the change. In 2018, LendEDU conducted a study with 500 small business owners in Washington state, California, New York, and Washington D.C., and in this study they found 68% of those polled were supportive of the wage increase while 17% were not and 15% were undecided, and 42% believed the increase would have a positive impact while 28% believed it would impact their business negatively and 30% thought there would be no impact at all. Raising the minimum wage involves adjusting and adapting on the part of business owners which may manifest in changes that are bound to take place, such as raising prices of goods and services for customers. But higher wages are more often spent locally, thus also stimulating the economy. The point is, people working minimum wage jobs need to be paid enough to live.

The current minimum wage is a struggle wage, it's a wage that inhibits people from providing for the very basic of their needs. When people are working multiple jobs in order to feed and clothe themselves, find it difficult to pay their bills working full-time at a decent entry-level job, or are living in a home with several generations of family members because of the cost of living in Hawai'i is far higher than what they are being paid, a living wage need to be reevaluated. Raising the minimum wage in Hawai'i is not just necessary, it is vital. It is an issue of providing workers with basic and fundamental necessities to survive.

<u>HB-1191-HD-1</u> Submitted on: 2/20/2019 11:29:19 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Catherine Brooks	Individual	Support	No

Comments:

Submitted on: 2/20/2019 8:56:22 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	oitted By Organization		Present at Hearing
Mike Golojuch	Individual	Support	No

# Comments:

I support HB1191. Although I would like to see \$15.00 an hour or higher be reality right now, I understand that there should be a phased approach. Please pass the bill as amended.

Mike Golojuch, Sr., State Central Committee, Senate District 20

# FIN-Jo

From: Mary Lu Kelley <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 3:41 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Mary Lu Kelley

Email: mkelley323@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Aloha and Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Submitted on: 2/20/2019 10:53:17 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joshua Kay	Individual	Support	No

### Comments:

I strongly support HB 1191. Our state's minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment. According to DBEDT, the self-sufficiency income standard for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019.

In my experience, increases in the minimum wage usually result in wage increases for other low income workers as well. And studies have found that higher wages are good for business. Hawaii's minimum wage rose from \$7.25 to \$10.10 between 2015 and 2018 while our unemployment rate dropped and economy grew. Higher wages improve employee retention and productivity, which gives employers savings in hiring and training costs. And minimum wage workers' raises tend to be spent quickly in the local community, multiplying the beneficial effects across our state.

# FIN-Jo

From: Jennifer Foster < noreply@jotform.com>
Sent: Wednesday, February 20, 2019 4:04 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jennifer Foster

Email: jwfoster45@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Submitted on: 2/21/2019 7:10:00 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Nathan Yuen	Individual	Support	No	

# Comments:

Dear Chair Sylvia Luke, Vice Chair Ty Cullen, and Members of the House Committee on Finance:

I support HB 1191 HD1 in concept, because it will positively affect the lives of thousands of Hawaii residents. But a couple of amendments should be made.

The current draft raises the minimum wage from \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. Hourly workers who get health insurance from employers would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year — which comes out to \$26,000 per year for full-time work.

\$26,000 per year is not a living wage. The high cost of rent and living in Hawaii today – let alone in 2024 when the full 2nd tier rate would take effect -- would put these workers at risk for poverty and homelessness – a single medical incident or other emergency could literally put them out on the streets.

Please increase the step up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers. Large chain retailers and fast food establishments can afford to pay the higher wage. Please also restrict the health care credit to only small businesses with 25 or fewer employees.

Thank you for this opportunity to testify on this important matter. I hope you please pass HB 1191 HD1 from the Finance Committee with the above amendments. Mahalo nui loa.

Sincerely, Nathan Yuen Gary L. Hooser 5685 Ohelo Rd. Kapaa, HI 96746 garylhooser@gmail.com

February 20, 2019

Aloha Committee Chair and members,

Thank you for hearing **HB1191** Relating to Minimum Wage. I stand in **support with amendments** for this much needed measure. This measure continues the dialog that an increase to the minimum wage in Hawaii is needed, however the language and amounts set forth in this measure do not go far enough to truly positively impact workers.

This measure proposes a minimum wage of \$12.50 per hour to those workers who are covered by Hawaii's Prepaid Health Insurance Act. The measure does provide an increase of \$15 to others who are not covered by Prepaid Healthcare. Unfortunately and fortunately, Hawaii's Prepaid Health Insurance Act helped to insure that Hawaii workers would receive coverage if they worked a minimum of 20hrs a week. Because of the thoroughness of the Prepaid Health Act, that means a majority of Hawaii workers would not qualify for the \$15 minimum wage.

According to the Department of Business, Economic Development & Tourism, the "self-sufficiency income" for a single person without children in Hawaii was almost \$16 an hour in 2016. With the increase in inflation, that number has grown to \$17 an hour in 2019. The study done by DBEDT also assumed the individual would have health insurance. **Unfortunately \$12.50** is a long ways away from \$17. This pay difference could mean a lot to an individual and even more to a family.

What is the point of raising the minimum wage if it does not do enough to help families now? If the state fails to increase the minimum wage to an amount that will actually help families combat inflation then we will just be here again next year, this is why it is necessary to amend this measure to include automatic inflation adjustments. 17 States plus the District of Columbia already have that language included in their statutes.

When low wage workers receive wage increases, all workers are better off. The community experiences an economic boom as a result of these increases. From 2014 - 2018 the real median wage of the Hawai worker increased by more than 5% (after adjusting for inflation). This meant that the average full-time worker had more than \$2,000 to spend or save.

I ask the Committee to please pass this measure forward with amendments to increase the minimum wage for all workers to \$17 based on DBEDT's "self sufficiency formula" and to include

language for an annual automatic inflation adjustment. If the Committee is so inclined to keep the health care credit, then I request that that credit only be applied to truly small businesses (<25 employees).

Thank you for your time and favorable consideration,

Gary L. Hooser

<u>HB-1191-HD-1</u> Submitted on: 2/21/2019 9:24:09 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Harriet Burkholder	Individual	Support	No

# Comments:

Families in Hawaii need this minimum wage just to survive. Please support it.

Submitted on: 2/21/2019 9:28:32 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joy Loudermelt	Individual	Support	No

# Comments:

I support this bill with some modifications.

I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Submitted on: 2/21/2019 9:56:34 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By Organization		Testifier Position	Present at Hearing	
Aria Juliet Castillo	Individual	Support	No	

# Comments:

I support this bill and please amend to increase to \$17. \$12.50 is not enough for anyone to survive, let alone thrive in the State of Hawaii.

Submitted on: 2/21/2019 10:07:45 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Francine Roby	Individual	Support	No

# Comments:

Aloha and mahalo for this bill which increases the State minimum wage with provisions to provide consideration for employers who provide health insurance coverage for their employees. Please include adequate enforcement mechanisms so that State compliance agencies and staff have adequate budgetary resources to inform employers and workers about related rights and responsibilities, as well as handle complaints of noncompliance, conduct investigations, and fine employers found in violation of the law. Mahalo.

### HOUSE COMMITTEE ON FINANCE

February 22, 2019 12:30 p.m. Room 308

In SUPPORT of HB1191 HD1: Relating to Minimum Wage

Position: SUPPORT - Amend to a Living Wage

Aloha Chair Luke, Vice Chair Cullen, and Members of the Finance Committee,

First, mahalo for hearing this important bill and also for your commitment to increasing the minimum wage.

I'd like to provide a short personal experience before I outline the statistics of the minimum wage situation in our state--details of which you undoubtedly already know.

I am a mid-thirties, working professional, married to a partner with the same graduate-level credentials as I, struggling to make ends meet in busy Honolulu while raising our 4-year-old daughter. I, like so many of my counterparts, will probably never be able to buy a house for my small family. I might not ever own property in this wonderful state, which bore my grandparents, mother, and many of my other relatives. It is a hard reality to accept...however, my concern is this: if we, two highly educated, skilled workers, are struggling to raise our family making a combined income of what was last year designated as just above the "low income" bracket in Hawai'i, then what are other, less fortunate, less skilled, less educated workers doing to survive? This is not a thriving community we are building. The residents here in paradise are simply surviving on starvation wages, working two, three, even four jobs just to stay afloat. This is unacceptable and the time is now to start creating the change our communities deserve. Let's start by raising the minimum wage to a living wage!

# Now for the facts:

- Our state's minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawai'i minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.
- With more than 1 in 3 workers earning less than a living wage, it's necessary we
  give workers a raise. This is why the Democratic Party of Hawai'i has made a
  living wage their number one priority for the 2019 legislative session.
- HB1191 HD1 would increase our state's minimum wage to \$15 by 2024, but this is not enough. Although HB1191 HD1 does increase the minimum wage to \$15 for some workers, it leaves those receiving health care coverage well below what's needed for them to afford their basic needs. According to DBEDT, the self-sufficiency income standard for a single person with no children and

- employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019.
- Our current minimum wage doesn't automatically adjust for inflation, causing its value to often fall far behind the cost of living. The minimum wage in 17 states plus DC have automatic inflation adjustments.
- Many hard-working Hawai'i residents are paid even less than \$10.10 an hour because they also receive tips. Seven other states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and instead pay all workers the same minimum wage. Hawai'i should join them, too, and eliminate the tip credit.
- Studies have found that higher wages are good for business. Hawai'i's minimum wage rose from \$7.25 to \$10.10 between 2015 and 2018 while our unemployment rate dropped and economy grew. Higher wages improve employee retention and productivity, which gives employers savings in hiring and training costs. And minimum wage workers' raises tend to be spent quickly in the local community, multiplying the beneficial effects across our state.

# Suggested amendments:

- At an absolute minimum, raise the wage levels to \$17 per hour and \$14 for those who get health insurance from their employer
- Restrict the health care credit to only small businesses with 25 or fewer employees
- Phase out the health care credit over 5 years

We are glad that 10 of the 15 Finance Committee members have already publicly supported a living wage. The supporters are Vice Chair Cullen, and Representatives Gates, Hashimoto, Holt, Kitagawa, Kobayashi, Matayoshi, Nakamura, Todd, and Wildberger. We would also note that Chair Luke has co-sponsored legislation to raise the wage to \$15/hour in the past, which, as state above, is not enough. Therefore we ask that this bill be amended to gradually increase the minimum wage to a living wage for all workers, with \$17 as a starting point.

Please pass HB1191 HD1 with amendments to help our minimum wage workers and their families be able to finally make ends meet. Mahalo nui loa!

Kimiko LaHaela Walter, Mo'ili'ili



# CITY COUNCIL

CITY AND COUNTY OF HONOLULU 530 SOUTH KING STREET, ROOM 202 HONOLULU, HAWAII 96813-3065 TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

RON MENOR
Council Chair Emeritus &
Council Vice Chair

District 9

Email: rmenor@honolulu.gov

Phone: 808-768-5009 FAX: 808-768-5011 WRITTEN TESTIMONY ONLY February 22, 2019

# TESTIMONY OF COUNCIL CHAIR EMERITUS & VICE CHAIR RON MENOR COUNCIL DISTRICT 9 CITY AND COUNTY OF HONOLULU

# House Bill 1191 HD1 RELATING TO MINIMUM WAGE

Chair Luke, Vice Chair Cullen and Members of the House Committee on Finance:

I am testifying in support of House Bill 1191 HD1.

The City Council unanimously approved Council Resolution 19-1 on January 30, 2019 (see attached):

Requesting the Legislature of the State of Hawaii to Move Forward to Increase the State Minimum Wage to a Living Wage.

Hawaii's cost of living is the highest of any of the 50 states or Washington, D.C., according to the Missouri Economic Research and Information Center. Honolulu has the third highest cost of living among 268 urban areas in the United States, after only San Francisco, California and Manhattan, New York, according to the Council for Community and Economic Research's Quarter 3, 2018 Cost of Living Index Release.

A "living wage" is the minimum income necessary for a full-time worker to meet his or her basic needs, including food, housing, clothing, utilities, transportation, health care, and other essentials in modern society. According to the Living Wage Calculator for the City and County of Honolulu (2017 Update), the 2017 living wage for an adult here was \$16.03 per hour, or \$33,342 annually, with the amount nearly doubling when adding a child to the household calculation. The 2018 estimated living wage for an adult on Oahu was \$16.50 per hour, or \$34,320 annually, according to the State of Hawaii Department of Business and Economic Development.

Section 387-2(a), Hawaii Revised Statutes, provides that the Hawaii minimum wage is \$10.10 per hour, or \$21,000 annually, resulting in a \$12,000-\$13,000 annual gap between the amount full-time minimum wage worker earns now and the amount a worker must earn to meet his or her basic needs.

Many individuals in Honolulu must work two or more jobs to maintain a basic standard of living for themselves and their families due to the disparity between Hawaii's current minimum wage and a living wage.

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



# RESOLUTION

REQUESTING THE LEGISLATURE OF THE STATE OF HAWAII TO MOVE FORWARD TO INCREASE THE STATE MINIMUM WAGE TO A LIVING WAGE.

WHEREAS, Hawaii's cost of living is the highest of any of the 50 states or Washington, D.C., according to the Missouri Economic Research and Information Center; and

WHEREAS, Honolulu has the third highest cost of living among 268 urban areas in the United States, after only San Francisco, California, and Manhattan, New York, according to the Council for Community and Economic Research's *Quarter 3, 2018 Cost of Living Index Release*; and

WHEREAS, a "living wage" is the minimum income necessary for a full-time worker to meet his or her basic needs, including food, housing, clothing, utilities, transport, health care, and other essentials in a modern society; and

WHEREAS, according to the *Living Wage Calculator for Honolulu County, Hawaii* (2017 Update), the 2017 living wage for an adult in "Honolulu County, Hawaii," was \$16.03 per hour, or \$33,342 annually, with the amount nearly doubling when adding a child to the household calculation; and

WHEREAS, the 2018 estimated living wage for an adult in "Honolulu County" was \$16.50 per hour, or \$34,320 annually, according to Hawaii's State Department of Business and Economic Development; and

WHEREAS, Section 387-2(a), Hawaii Revised Statutes, provides that the Hawaii minimum wage is \$10.10 per hour, or \$21,000 annually, resulting in a \$12,000-\$13,000 annual gap between the amount a full-time minimum wage worker earns now and the amount a worker must earn to meet his or her basic needs; and

WHEREAS, many individuals in Honolulu must work two or more jobs to maintain a basic standard of living for themselves and their families due to the disparity between Hawaii's current minimum wage and a living wage; and

WHEREAS, the City Council finds that raising Hawaii's minimum wage to a living wage will assist families and individuals living in Hawaii to meet their basic needs and to achieve food security, housing stability, and greater financial independence; now, therefore,



No.	19–1	

# RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that the Legislature of the State of Hawaii is requested to move forward with the enactment of legislation this coming Legislative session to increase the minimum wage to a living wage for the State of Hawaii; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Governor, the Speaker of the House of Representatives, the President of the Senate, and the Director of the Department of Labor and Industrial Relations of the State of Hawaii.

	INTRODUCED BY:
	D The state of the
DATE OF INTRODUCTION:	
JAN 4 2019	
Honolulu, Hawaii	Councilmembers

# CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII CERTIFICATE

**RESOLUTION 19-1** 

Introduced:

01/04/19

В

RON MENOR

Committee:

PARKS, COMMUNITY SERVICES AND INTERGOVERNMENTAL

**AFFAIRS** 

Title:

RESOLUTION REQUESTING THE LEGISLATURE OF THE STATE OF HAWAII TO MOVE FORWARD TO INCREASE THE

STATE MINIMUM WAGE TO A LIVING WAGE.

Voting Legend: \*= Aye w/Reservations

		CC-9 KOBAYASHI - RE-REFERRAL OF BILLS, RESOLUTIONS AND COMMUNICATIONS	
01/22/19	PARKS, COMMUNITY SERVICES AND INTERGOVERNMENTAL AFFAIRS	CR-5 - RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.	
01/30/19	COUNCIL	CR-5 AND RESOLUTION 19-1 WERE ADOPTED.	
		8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNEYOSHI.	

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

GLEN J. TAKANASHI, CITY CLERK

ANN H. KOBAYASHI, INTERIM CHAIR AND PRESIDING OFFICER

Submitted on: 2/21/2019 11:28:34 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicole	Individual	Oppose	No

# Comments:

Testimony Bill HB1191

To: Chair, Vice Chair and Members on Committee

Subject: HB1191 Relating to Minimum Wage

Date: February 21, 2019

My name is Nicole Lueker and I am co-owner of IL Gelato Hawaii and Teapresso IL Gelato LLC. My husband and I started our small business here in Honolulu eight years ago.

We make all natural high quality gelato (ice cream) here in Hawaii and sell wholesale to restaurants and operate two retail locations. We have approximately 50 employees and most of them part time. Last year we partnered up with Teapresso and started a 3. retail location under Teapresso IL Gelato LLC.

The proposed bill is challenging the existence of our business!

In our gelato stores we rely on the help of minimally trained staff, mostly on high school students and unskilled workers who often have their first jobs with us. They come with little to no experience and need a lot of training and supervision, which we provide. This was acceptable when the minimum wage was \$7.25 per hour. With wages are going beyond \$10.10 we will have a problem to continue to operate our business.

80% of our employees are still minors and they live with their parents while finishing up high school. They work part-time and we provide an opportunity to give a good experience into the work life. Our workers have the opportunity to earn tips on top of their hourly wage, thus having the incentive to provide excellent customer service. Our customer's come for high quality ice cream and friendly and service and tipping is common and an additional source of income for our staff.

We already offer a comprehensive health insurance for everyone working more than 20 hours. However, as explained above, most of our employees do not work 20+ hours and are already insured through their parents (due to age). It would be not fair to pay these

very young, very inexperienced employees such high hourly and deduct the costs for health insurance from our staff that works more than 20 hours. This would lead to having no one willing to work more than 20 hours.

Our situation as small business with small ticket items is tricky: A scoop of ice cream at our store was \$3.75 and we just recently had to increase it to \$4.25. Our overall sales have gone down since our price increase was implemented. We assume that less people are buying our products as we are considered to be too expensive for local families.

We receive a lot of comments via social media and Yelp reviews that we are too expensive. Our food costs in Hawaii are the highest of the nation. Our rents are the highest of the nation. Energy and insurance cost are higher than anywhere else. It is very difficult to operate a business in Hawaii. We cannot increase our scoop prices, as we would loose our local customers. If payroll continues to increase so substantially we need to close our business, which would challenge our existence and we could no longer offer entry-level jobs to those young people.

For all the reasons above, I am strongly oppose this bill. Thank you for allowing me to share my view.

Sincerely,

Nicole Lueker

**House Committee on Labor** 

**Testimony by: Carmen Hulu Lindsey** 

In Support of HB1194 HD1

Thursday, February 21, 2019

Aloha Chair Johanson, Vice Chair Eli, and members of the Labor Committee,

I am Trustee Hulu Lindsey from the Office of Hawaiian Affairs. I am testifying as an individual and not on behalf of the Board.

It is pretty obvious to anyone who does not willfully choose to be blind that too many ordinary rank and file workers in Hawaii are struggling to keep their heads above water. I fully support the call for a living wage for our friends, family members and neighbors who simply cannot get by on a full-time job at \$10.10 an hour—our current minimum wage. But as a trustee of the Office of Hawaiian Affairs I feel a particular obligation to speak for the nearly 5000 native Hawaiians who currently make up over 14 % of our state's minimum, or close to minimum wage workers. I see their struggle. More than 50 percent of native Hawaiians are burdened by having to direct a third or more of their income just to rent! A 2016 statewide poll revealed that above 70 percent of native Hawaiians live paycheck to paycheck. A third say they struggle to pay for food. This cannot continue.

Our state Department of Business, Economic Development and Tourism (DBEDT) says that a living wage today should be \$17 an hour—and that's just for a single person with no children. Food, rent, essentials. No luxuries. I don't expect lawmakers to wave a magic wand and move the minimum wage up to \$17 immediately. But consider this: if the minimum wage in Hawaii were raised to \$17 by 2024, nearly 13,000 Native Hawaiians, or more than a third of Native Hawaiian workers, would see their lives improve. But making the minimum wage a living wage also delivers a benefit to those not on minimum wage now, whose wages will also go up. If you count those who would be indirectly affected, over 16,000 or close to 50 percent of Native Hawaiian workers would benefit. A living wage will help thousands climb out of poverty.

Some business groups have urged lawmakers to go slow. They fear the impact on their bottom line. I understand that. But as a businesswoman myself, I would ask them to remember that when you improve wages for those who do not make enough to pay for necessities for their family, you can depend on them to immediately spend the extra money on things they could not previously afford.

The extra money our workers will make if we enact a living wage will allow them to purchase, not just goods, but critical services, such as childcare. I've seen too many families who are unable to give the children the attention they need because they are trying to pull income from two, sometimes three, minimum wage jobs. They are overworked, and their health suffers. Kids, meanwhile, fend for themselves with very little supervision. Juvenile delinquency, poor performance at school and failure to graduate are the inevitable outcomes.

Making the minimum wage a true living wage addresses multiple socio-economic challenges. Women my age remember when "a minimum-wage job could support a family of three," as Senator Elizabeth Warren recently pointed out. But she also noted that "Today, a full-time minimum-wage job in America won't keep a mama and a baby out of poverty." It certainly does not keep the many kupuna who are still working at low level jobs out of poverty or allow them to feed their mo`opuna as well as they should. Kupuna who care for their grandchildren in the absence of their parents, do not see the minimum wage as a "training wage," a term that is being bandied around as an excuse to pay people less than they deserve. They are not "training" to climb the employment ladder. They are simply trying to earn a living. I ask lawmakers to do right by them and enact a living wage.

Respectfully Submitted,

Carmen Hulu Lindsey

Support for Amending HB1191, Relating to Minimum Wage

Aloha Chair, Vice Chair, and members of the committee. Thank you for the opportunity to testify. My name is Dawn Kubota. I am a Social Work student at the University of Hawai'i at Manoa, and a constituent of Waipio Valley. I am testifying in strong support of amending this bill to move the minimum wage up to a living wage, and tie it to the Consumer Price Index (CPI) using the language from SB744.

I would like to address something in the last written testimony submitted by the Chamber of Commerce for HB1191. If I am not mistaken, the study that was used as a reference in their testimony was conducted by the University of Washington and published by the National Bureau of Economic Research, to support their opposition of raising the minimum wage based on the premise that in Seattle, it had caused a loss in jobs and total hours worked. However, that doesn't take into account the limitations of the study.

The study was analyzed in two phases: the first wage raise from \$9.27 in 2014, to \$11 in 2015. Then a second raise from \$11 to \$13 in 2016. That is about a 16% and 18% raise respectively. It says right in the abstract that the "Evidence attributes more modest effects to the first wage increase. We estimate an effect of zero when analyzing employment in the restaurant industry at all wage levels, comparable to many prior studies." It also mentions that "these estimates pertain to a minimum wage increase from what had been the nation's highest state minimum wage to an even higher level, and might not indicate the effects of more modest changes from lower initial levels." As we know, Hawaii has the lowest wages in comparison to cost of living and we are asking for a reasonable 10% increase in wages until it gets to a living wage.

It is true that there are many other factors that drive up the cost of living in Hawai'i, and housing is definitely a big one. However, we are way past that. Hawai'i is so behind on wages, that even if we had the average rent cost of \$16,224/year cut in half by tomorrow, that would mean workers making \$12.50/hr still would not be able meet the required annual income of \$26,134 to meet their very basic needs.

Hawaii is in desperate need of a raise in the minimum wage.

\$17/hr is what people need to be making today in order to pay for basic necessities. By 2025, the cost of living--regardless of a rise in the minimum wage--is going to increase, and workers in Hawai'i will continue to make less and less, and continue to leave the islands. A *gradual* increase in the minimum wage until it reaches a living wage is reasonable and has shown in the to benefit small businesses and the local economy. We cannot continue to keep the minimum wage stagnant and allow Hawai'i to fall further behind.

Thank you for the opportunity to testify. Dawn Kubota

<u>HB-1191-HD-1</u> Submitted on: 2/21/2019 2:36:10 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nina Buchanan	Individual	Support	No

# Comments:

Every worker in Hawaii should receive a minimum of \$15 an hour and health insurance!!

Submitted on: 2/21/2019 3:49:36 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Vaughn Cook	Individual	Oppose	No

# Comments:

Aloha and thank you for the opportunity to express my opinions.

I STRONGLY urge opposition to HB1191 that purports to raise the minimum wage.

While the stated purpose of the bill is to "combat rising wage disparity" it will actually achieve the opposite result and hurt the very businesses that our people need and depend on for their livelihood.

Forcing companies to pay a "minimum" wage is wrongheaded and turns the proper role of government on its head. Government's role is NOT to take money by force from one party and give it to another. The way our economic system was intended to work, and HAS worked since our founding was on the free market and voluntary exchanges for mutual benefit. A prospective employer decides to hire a person based on the perceived value that person brings to the job with all the education and skills he/she has gained prior to employment. Raising the minimum wage above market value will cause an employer to either NOT hire the employee for a higher wage than his/her skills justify or find other alternatives to employment through things such as automation.

If the premise is correct - that Government can and should mandate what an employer shall pay to an employee, then why stop at \$12.50 or \$15.00 per hour? Why not \$30 per hour? Why not \$100 per hour? The answer is obvious. There is no magic money tree. The government has NO BUSINESS TELLING PRIVATE PARTIES HOW MUCH A TRANSACTION IS WORTH. Allowing it to continue to do so will destroy the greatest free market economy the world has ever known.

Some other easons I oppose HB1191 HD1:

Negative impact on business – an increase in the minimum wage would harm
 ALL businesses by reducing the available capital and ability of companies to plan
 their economic and financial affairs. Companies already constrained by high
 prices and a competitive market that are unable to raise prices would need to cut
 jobs, hours, or some combination.

- Negative impact on workers Many companies already pay more than the
  prevailing wage. In a strong economy, companies that CAN afford to pay and
  that need more workers WILL pay more. However, those companies that cannot
  afford to pay an increased wage rate will raise prices, cut jobs and/or cut hours of
  employees. Many companies are looking to automation to cut wage costs.
  Setting an artificially high minimum wage will result in less incentives for
  companies to hire low skill employees whose skills are not worth are artificially
  set "minimum wage."
- HB1191 HD1 appears to confuse "living wage" with "minimum wage". The concept of a "living wage" is the wage needed to maintain a "normal" standard of living. Hawaii has a high cost of living and, thus, many argue, a high wage is needed to help wage earners achieve a "living wage." However, we in the Chamber believe that the solution to achieving a "living wage" is not to FORCE all employers to pay an arbitrary amount set as the "minimum wage". The solution lies in encouraging policies that encourage economic growth and investment in our State. When businesses thrive, they will have the ability and incentive to pay higher and higher wages to attract the best and brightest. Additionally, the "minimum wage" was never meant to be a "living wage." As discussed by the Maui Chamber of Commerce, the "minimum wage" is a "starting wage" to allow people to gain skills and knowledge to earn a higher wage.

# finance8 - Joy

Owner

Kalaheo

Hawaii

From: Sent: To:	Sandy Poehnelt <mlbtxdhdojjpkmr@ujoin.co> Wednesday, February 20, 2019 7:23 PM FINtestimony</mlbtxdhdojjpkmr@ujoin.co>
Subject:	Submit testimony on HB 1191 HD1, Relating to the Minimum Wage
From: sandy@rightslice.com <sand< td=""><th>dy Poehnelt&gt;</th></sand<>	dy Poehnelt>
Message:	
Aloha Chair Luke, Vice	Chair Cullen and members of the Labor Committee,
to increase the minimum our business and other business and our employ what makes our business through both wages and contemplating passing I	B 1191 HD1 and am very concerned with the current push m wage and the unintended consequences this will have or businesses like ours in Hawaii. We are proud of both our eyees. We recognize that our employees are a big part of as a success and do everything we can to retain them debenefits. With that said, we hope that when legislation raising the minimum wage, that you please ces it will have on businesses of all sizes.
If the minimum wage is increased, businesses will have to alter operations to standard afformed and the passed of the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.	
Thank you for your time	e and consideration of my concerns.
Sandy Poehnelt	

# finance8 - Joy

From: Brenda De Luz Campbell <frgmcofmjtsgtdm@ujoin.co>

Sent: Wednesday, February 20, 2019 8:03 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: bldc@hawaiiantel.net <Brenda De Luz Campbell>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Brenda De Luz Campbell

**Business Owner** 

Paauilo

Hawaii

# finance1 - Sean

From: Dustin Verity <hojidaxuhbfchyz@ujoin.co>
Sent: Wednesday, February 20, 2019 9:03 PM

**To:** FINtestimony

**Subject:** Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: dustin@veritycpas.com < Dustin Verity>

# Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

**Dustin Verity** 

President, Verity CPAs

Honolulu

Hawaii

# finance1 - Sean

From: Kristine Miller <amoqotvfruhzqnz@ujoin.co>
Sent: Wednesday, February 20, 2019 10:20 PM

**To:** FINtestimony

**Subject:** Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: krissi@hukilaulanai.biz <Kristine Miller>

## Message:

As a restaurant owner, I am strongly against any increase in minimum wage that does not account for an equitable tip credit to go with it. Our servers are among the highest paid employees due to the tips that they receive. Minimum wage increases without tip credit increases mean that they will make even more, making it more and more difficult to increase wages for non-tipped employees.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Kristine Miller
Restaurant Owner/General Manager
kapaa
Hawaii

## finance1 - Sean

From:	Minh Tran <qsesngbqmkffseb@ujoin.co></qsesngbqmkffseb@ujoin.co>	
Sent:	Wednesday, February 20, 2019 10:21 PM	

**To:** FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: minh@brokenricehi.com <Minh Tran>

## Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Minh Tran
Owner
Honolulu
Hawaii

# finance8 - Joy

From: Christine Lanning <ozixibsbpqmeyvv@ujoin.co>

Sent: Thursday, February 21, 2019 10:17 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: christine@istechs.net <Christine Lanning>

# Message:

Our company is always looking to provide paid internships as a way to engage our community schools and provide valuable mentor-ship and training to the next generation of Hawaii. We believe that all internships should be paid. As such, raising the minimum wage would cause us to either (1) eliminate the amount of internships we offer or (2) eliminate them completely due to the unnecessary cost burden. Doing business in Hawaii is hard enough. Please don't make it harder.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Christine Lanning
President
Waipahu
Hawaii

From: Joyce Perreira <ggflkxbkznvetud@ujoin.co> Sent: Thursday, February 21, 2019 9:06 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: joyceperreira@gmail.com < Joyce Perreira>

Message:

The drastic increase of minimum wage will force many small businesses to either close or over-work with less staff. There will be less jobs for everyone.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Joyce Perreira

Operations and Controls Specialist

Honolulu

From: Marc Okumura <jlwasxjmuaywjrp@ujoin.co>
Sent: Thursday, February 21, 2019 9:04 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: mokumura@osipacific.com <Marc Okumura>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Marc Okumura

Pearl City

From: David Bateman < gamolwfmpynwwpw@ujoin.co>

Sent: Thursday, February 21, 2019 8:29 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: dave@heavenlyhawaiian.com <David Bateman>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

David Bateman

President/CEO

HOLUALOA

From: Gordon Takaki <ffmjfrgetpnqlzu@ujoin.co> Sent: Thursday, February 21, 2019 8:13 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: takakig002@hawaii.rr.com < Gordon Takaki>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Gordon Takaki

Hilo

From: Wilfred Robello Jr <ykuiqwlyjbuhfvf@ujoin.co>

Sent: Thursday, February 21, 2019 7:43 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: wilfred.robello@dhx.com <Wilfred Robello Jr>

#### Message:

While I understand the concept that people want to put more money in peoples pockets, this is a simplistic solution that will have no effect over time. Raising the minimum wage will also increase the cost to do business. For the companies affected, they will have no choice but to raise it's prices in order to maintain profitability and remain solvent. This becomes a ripple effect and in the end the cost of living is only driven higher and the wage gap remains the same. We need roll up our sleeves and truly look at how we can reduce the cost of living here in Hawaii. Looking for ways to reduce red tape and the delays that come from it, eliminating redundancies in the process that drive up cost and reevaluating regulations that hurt business's and drive up cost's. It is only when we start looking at ways to accomplish this will we truly effect change.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Wilfred Robello Jr

Vice President / General Manager

Kula

From: Rick Vollstedt <dzfcxumfdmyexyx@ujoin.co>
Sent: Thursday, February 21, 2019 4:06 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: konavoll@gmail.com <Rick Vollstedt>

Message:

Many of the minimum wage jobs are not intended to be living wage jobs. Starter jobs for teens and college kids. Increasing minimum wage forces business to reduce staff, increase automation ie kiosks IPads etc. This is the easy way for you to try and provide living wage. Do the tough job and improve the business climate, regulations, fees and obstacles to start or expand

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Rick Vollstedt

KAILUA KONA

From: Bryson Mitsuda <wucjfojyqwgdebl@ujoin.co> Sent: Thursday, February 21, 2019 12:32 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: bryson.mitsuda@gmail.com <Bryson Mitsuda>

#### Message:

As a restaurant manager, this bill greatly affects the restaurant industry. Raising the minimum wage will make it difficult to staff the restaurant properly, which in turn will cause a domino effect not allowing the restaurant to provide adequate service for all the guests. It is not like the restaurant can just raise food item prices to compensate for the wage increases. Please take into consideration restaurants as it is a huge appeal for tourists as well for the state of Hawaii's economy.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Bryson Mitsuda

Restaurant Manager

Aiea

From: Kevin Lau <wwahgbxhrmwojmr@ujoin.co> Sent: Thursday, February 21, 2019 12:23 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: ksl@tanakarestaurants.com <Kevin Lau>

#### Message:

In addition to the facts above I have a few other points of interest that will have affect on the status of restaurants and small businesses in Hawaii. Please take these talking point in to consideration before you make a decision that will hurt our Hawaii economy: -Majority of restaurant employees are "tipped employees", and should not be categorized as "minimum wage" workers. -The majority of income made by "tipped employees" are the tips, on top of an hourly wage. -Our tipped employees earn between \$22-\$32 per hour when factoring in their tips. -Over the past 5 years, we were forced to reduce our employee labor hours, and we did so by 15%, to mitigate the increase in our payroll expenses due to the annual minimum wage increases. Restaurants need to be adequately staffed to insure proper service. There was no increase in the tip credit, and even though we reduced our labor hours, our payroll expenses increased significantly. -Hawaii has a \$0.75 tip credit, which is the lowest in the nation. (Nation average is \$4.83, the second lowest tip credit is \$2.90). For tipped employees, an increase in the minimum wage should be matched by an equal increase in the tip credit which will assist businesses to be able to continue to operate. Mahalo, Kevin Lau

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Kevin Lau

Senior Restaurant Manager

Honolulu

From: Richard Ha <ykctkqzzlobmkct@ujoin.co> Sent: Wednesday, February 20, 2019 10:51 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: richard@hamakuasprings.com <Richard Ha>

Message:

If the farmer makes money the farmer will farm. Farmers are not making money now. At \$15 per hour they can hardly hire people.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Richard Ha

Community volunteer

Hilo

From: David Buehler <fapzwygcifoyxyg@ujoin.co>
Sent: Wednesday, February 20, 2019 10:48 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: davidabuehler@gmail.com < David Buehler>

Message:

I sure hope you have not already made up your mind to support this!

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

David Buehler

Real Estate Agent

Kailua Kona

From: Donna Smith < jjprqltaqdpzkmz@ujoin.co> Sent: Thursday, February 21, 2019 12:43 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: donna@ekfernandez.com <Donna Smith>

#### Message:

The carnival business needs to be an affordable form of family entertainment. If not, people will not attend our events and the hundreds of nonprofit organizations who benefit from them will suffer, as will the families who have enjoyed attending our events for over 100 years. Over the past few years, we have experienced tremendous increases in Young Brothers freight charges to take our equipment to the neighbor islands, as well increased costs for airfare and hotel accommodations for our staff. We can't pass on increased labor and other costs to our customers, because no one will want to pay \$10 to have their child ride the Merry-Go-Round. We urge you to consider the impact on small businesses like ours and vote against raising the minimum wage. Thank you!

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Donna Smith

Vice President, E. K. Fernandez Shows

**KAPOLEI** 

From: George Hochman <alnfcxbwznoepjd@ujoin.co>

Sent: Thursday, February 21, 2019 10:43 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: gh5512@aol.com <George Hochman>

Message:

Business is very hard in Hawaii, don't make it harder to even survive. Thank you

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

George Hochman

**HONOLULU** 

#### FIN-Jo

From: Jamie Harada <rcurgnhwkmslbed@ujoin.co>
Sent: Thursday, February 21, 2019 1:58 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: haradajamie@gmail.com <Jamie Harada>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Jamie Harada

Restaurant General Manager

Honolulu

#### FIN-Jo

From: Maya Rogers <hbdkwedskjijzan@ujoin.co>
Sent: Thursday, February 21, 2019 1:51 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: maya@tetris.com <Maya Rogers>

Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Maya Rogers

CEO

Honolulu

#### FIN-Jo

From: Alison Tanaka <iotruuybmxjohhr@ujoin.co>
Sent: Thursday, February 21, 2019 1:41 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: aht@tanakarestaurants.com <Alison Tanaka>

#### Message:

I am writing in opposition of HB 1191 regarding minimum wage increase to \$15 by 2024. Working for a small familyowned business employing approximately 200 employees in the state of Hawaii, the minimum wage increase will cause a number of problems and potentially cause the need to lay off workers or even close our doors for good. The first point we would like to make is that most of our employees receive tip as restaurant workers. We calculated that including tip, our full time servers and chefs make \$25+ per hour, which is well above the proposed minimum wage increase. The current tip credit is only 75 cents, which is not high enough to even help mitigate the additional labor expense. Furthermore, businesses will be doing everything they can to try to survive this additional expense, which will include increasing prices across the board. It is already so expensive to live in Hawaii and by passing this bill, it will become even more expensive by way of increased prices across the state and many small businesses that make Hawaii so unique being forced to close their doors for good. Businesses with small profit margins will not be able to overcome the wage increases. The food and beverage industry is such a unique industry that employs many young adults and allo ws them to gain experience and skills in the workplace and adds a huge appeal to our tourist market, which helps the state's economy. This bill will have nothing but a negative ripple effect on the entire state, putting restaurants out of business and forcing the surviving ones to raise prices making it even more expensive to travel to Hawaii and making Hawaii an undesirable destination for tourists. Please take into consideration the negative impact this bill will have on the small businesses that are so unique to Hawaii and the negative impact on our state's economy as a whole.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Alison Tanaka

Corporate General Manager

Honolulu

From: Doris Segal Matsunaga <noreply@jotform.com>

Sent: Wednesday, February 20, 2019 7:48 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Doris Segal Matsunaga Email: dsegalmatsu@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Shawn Valente <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 7:32 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Shawn Valente

Email: Svblue.mist2322@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Paxton Parker <parkerpaxton5@gmail.com> Sent: Wednesday, February 20, 2019 6:39 PM

To: FINtestimony

Subject: Testimony in SUPPORT of HB1191 HD1

Aloha Chair Luke and members of the committee,

I strongly support raising the minimum wage to meet the self- sufficiency level as calculated by DBEDT. HB1191 increases the wage to \$15 for employees without employer-provided health insurance, and allows employers who do provide health insurance to pay a sub-minimum wage to their employees. This is simply not enough to allow working people a chance to thrive in Hawai'i. The self-sufficiency level for 2019 is \$17 an hour, and it is already losing ground to inflation and increasing costs of living in the islands.

Please amend HB1191 HD1 to increase the wage by 10% annually until the minimum wage catches up to the self-sufficiency level. Please also include language that would automatically increase the wage thereafter to match the self-sufficiency level, calculated annually by DBEDT. If a health insurance carve-out must be included, then set the minimum for employers providing insurance at the self-sufficiency level and require employers that do not provide health insurance to pay higher than the minimum, rather than allowing for sub-minimum wage exploitation.

There is no good reason why we shouldn't do this. The restaurant industry and the Chamber of Commerce testified against the 2014 wage increase by claiming businesses would collapse, prices would skyrocket and jobs would be cut. They claimed the sky would fall. They were lying. Nothing of the sort has happened.

In fact, between 2014-2018, we raised the wage by approximately 10% per year, and there are more small businesses around today than in 2014. There are more restaurant jobs today than in 2014. Unemployment has been cut in half over the same period. Prices have increased marginally, but at the same rate they would have anyway. These are not opinions. They are facts.

Please do right by the people of Hawai'i and legislate a true living wage for all our workers. Mahalo.

From: Paxton Parker <parkerpaxton5@gmail.com> Sent: Wednesday, February 20, 2019 6:39 PM

To: FINtestimony

Subject: Testimony in SUPPORT of HB1191 HD1

Aloha Chair Luke and members of the committee,

I strongly support raising the minimum wage to meet the self- sufficiency level as calculated by DBEDT. HB1191 increases the wage to \$15 for employees without employer-provided health insurance, and allows employers who do provide health insurance to pay a sub-minimum wage to their employees. This is simply not enough to allow working people a chance to thrive in Hawai'i. The self-sufficiency level for 2019 is \$17 an hour, and it is already losing ground to inflation and increasing costs of living in the islands.

Please amend HB1191 HD1 to increase the wage by 10% annually until the minimum wage catches up to the self-sufficiency level. Please also include language that would automatically increase the wage thereafter to match the self-sufficiency level, calculated annually by DBEDT. If a health insurance carve-out must be included, then set the minimum for employers providing insurance at the self-sufficiency level and require employers that do not provide health insurance to pay higher than the minimum, rather than allowing for sub-minimum wage exploitation.

There is no good reason why we shouldn't do this. The restaurant industry and the Chamber of Commerce testified against the 2014 wage increase by claiming businesses would collapse, prices would skyrocket and jobs would be cut. They claimed the sky would fall. They were lying. Nothing of the sort has happened.

In fact, between 2014-2018, we raised the wage by approximately 10% per year, and there are more small businesses around today than in 2014. There are more restaurant jobs today than in 2014. Unemployment has been cut in half over the same period. Prices have increased marginally, but at the same rate they would have anyway. These are not opinions. They are facts.

Please do right by the people of Hawai'i and legislate a true living wage for all our workers. Mahalo.

From: Will Caron <comicsbywill@gmail.com>
Sent: Wednesday, February 20, 2019 6:18 PM

To: FINtestimony

Subject: Testimony in SUPPORT of HB1191 HD1

Aloha Chair Luke and members of the committee,

I strongly support raising the minimum wage to meet the self- sufficiency level as calculated by DBEDT. HB1191 increases the wage to \$15 for employees without employer-provided health insurance, and allows employers who do provide health insurance to pay a sub-minimum wage to their employees. This is simply not enough to allow working people a chance to thrive in Hawai'i. The self-sufficiency level for 2019 is \$17 an hour, and it is already losing ground to inflation and increasing costs of living in the islands.

Please amend HB1191 HD1 to increase the wage by 10% annually until the minimum wage catches up to the self-sufficiency level. Please also include language that would automatically increase the wage thereafter to match the self-sufficiency level, calculated annually by DBEDT. If a health insurance carve-out must be included, then set the minimum for employers providing insurance at the self-sufficiency level and require employers that do not provide health insurance to pay higher than the minimum, rather than allowing for sub-minimum wage exploitation.

There is no good reason why we shouldn't do this. The restaurant industry and the Chamber of Commerce testified against the 2014 wage increase by claiming businesses would collapse, prices would skyrocket and jobs would be cut. They claimed the sky would fall. They were lying. Nothing of the sort has happened.

In fact, between 2014-2018, we raised the wage by approximately 10% per year, and there are more small businesses around today than in 2014. There are more restaurant jobs today than in 2014. Unemployment has been cut in half over the same period. Prices have increased marginally, but at the same rate they would have anyway. These are not opinions. They are facts.

Please do right by the people of Hawai'i and legislate a true living wage for all our workers. Mahalo.

From: Michael Stauber Michael Stauber <noreply@jotform.com>

Sent: Wednesday, February 20, 2019 5:24 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Michael Stauber Michael Stauber

Email: m\_stauber@msn.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Elizabeth O'Connor <noreply@jotform.com> Sent: Wednesday, February 20, 2019 5:13 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Elizabeth O'Connor

Email: island.auntee@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Morgan Bonnet <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 5:08 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Morgan Bonnet

Email: morgan.bonnet@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Morgan Bonnet
DPH Chair of District 25

From: Stacey Schrager <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 4:57 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Stacey Schrager Email: stacey70@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Cleota Brown <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 4:48 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Cleota Brown

Email: dsidiversity@aol.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Patricia Gozemba <noreply@jotform.com> Sent: Wednesday, February 20, 2019 4:43 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Patricia Gozemba Email: pgozemba@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Having experienced the high cost of living in HI over the past 38 years, I understand the need for better wages. Families cannot "make it" here. Keep local people in HI, pay them a reasonable wage.

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Raymond Catania <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 4:23 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Raymond Catania

Email: may11nineteen71@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: ivy losh <noreply@jotform.com>

Sent: Wednesday, February 20, 2019 8:19 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: ivy losh

Email: southcoastavon@yahoo.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Lilinoe Smith <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:22 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Lilinoe Smith

Email: balihai7@hawaii.rr.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Benton Pang <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:35 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Benton Pang

Email: launahele@yahoo.com Attending the hearing: No

\_\_\_\_\_

Aloha Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Shane Sinenci <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:36 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Shane Sinenci

Email: ssinenci@yahoo.com Attending the hearing: No

\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: William Loewenstein <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:39 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: William Loewenstein

Email: wfloewenstein@gmail.com

Attending the hearing: No

\_\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I am a member of the Democratic Party and support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Steven Canales <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:45 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Steven Canales

Email: stevecanales@hotmail.com

Attending the hearing: No

\_\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: David Dinner <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:48 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: David Dinner

Email: gentlewaver@gmail.com Attending the hearing: No

\_\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

#### finance1 - Sean

From: David Dinner <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:48 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

From: David Dinner

Email: gentlewaver@gmail.com

Hearing date: Friday, February 22, 2019, 12:30 p.m.

Hearing location: Conference room 308

Subject: Comments on HB 96 HD1 -- Relating to Minimum Wage

Will be attending hearing: No

\_\_\_\_\_

To Chair Luke and Members of the Finance Committee:

Thank you for the opportunity to provide comments on HB 96 HD1, which would authorize the counties to establish a minimum wage that is higher than the state minimum wage.

While counties should be able to raise their minimum wage rate higher than the state's rate, first the statewide floor needs to \$17 an hour. According to the Department of Business, Economic Development & Tourism, the self-sufficiency income standard for a single person without keiki in Hawai'i was close to \$16 an hour in 2016. So after adding inflation, the income needed to meet an individual's basic needs in Hawai'i is \$17 in 2019.

But our state's minimum wage is stuck at \$10.10 an hour, or only \$21,000 a year for full-time work. With the highest cost of living in the country and rocketing housing costs, it's no wonder Hawai'i has the highest homelessness rate in the nation.

That's why I urge your Committee and all of our state's lawmakers to raise Hawai'i's minimum wage to at least \$17 per hour first, and then also allow counties to raise their wages higher. Our low-wage workers and their families can't survive on \$21,000 per year and can't wait any longer for a raise.

Mahalo for your consideration of my comments.

#### finance1 - Sean

From: Autumn Ness <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:49 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Autumn Ness

Email: autumnness@yahoo.com Attending the hearing: No

\_\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

#### finance1 - Sean

From: Sunny Page <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:50 PM

**To:** FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Sunny Page

Email: huelosunny@gmail.com Attending the hearing: No

\_\_\_\_\_

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Koichiro Otake <noreply@jotform.com>
Sent: Thursday, February 21, 2019 10:09 AM

To: FINtestimony

Subject: Support of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Koichiro Otake Email: ko2001@iolani.org Attending the hearing: No

Dear House Finance committee members,

As someone who personally knows several people whose parents work long hours only to receive \$21,000 a year, I write in support of HB 1191 HD1, which will raise the minimum wage to \$15 by 2024, but allow employers to pay a lower wage if they provide their employees with health insurance.

Hawaii has one of the highest costs of living in the nation, yet the minimum wage of the islands falls short of the living wage (\$16.03 an hour for a single adult on Oahu) necessary for making ends meet. The meager \$10.10 minimum wage also does not help our homeless population, which is the highest per capita in the country. How can we expect to solve the homeless epidemic and get people back on their feet if it is difficult to make a living in the first place? Raising the minimum wage may result in an increase in the price of goods and services, but the benefits far outweigh the possible negative effects. Making the minimum wage of Hawaii closer to the living wage will allow the state's large working class to make ends meet and reduce the size of our homeless population.

Thank you for your consideration of this testimony in support of HB 1191 HD1.

From: Koichiro Otake <noreply@jotform.com>
Sent: Thursday, February 21, 2019 10:07 AM

To: FINtestimony

Subject: Support of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Koichiro Otake Email: ko2001@iolani.org Attending the hearing: No

Dear House Finance committee members,

As someone who personally knows several people whose parents work long hours only to receive \$21,000 a year, I write in support of HB 1191 HD1, which will raise the minimum wage to \$15 by 2024, but allow employers to pay a lower wage if they provide their employees with health insurance.

Hawaii has one of the highest costs of living in the nation, yet the minimum wage of the islands falls short of the living wage (\$16.03 an hour for a single adult on Oahu) necessary for making ends meet. The meager \$10.10 minimum wage also does not help our homeless population, which is the highest per capita in the country. How can we expect to solve the homeless epidemic and get people back on their feet if it is difficult to make a living in the first place? Raising the minimum wage may result in an increase in the price of goods and services, but the benefits far outweigh the possible negative effects. Making the minimum wage of Hawaii closer to the living wage will allow the state's large working class to make ends meet and reduce the size of our homeless population.

Thank you for your consideration of this testimony in support of HB 1191 HD1.

From: Deborah Kimball <noreply@jotform.com>
Sent: Thursday, February 21, 2019 9:20 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Deborah Kimball Email: dkk@hawaiiantel.net Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill.

I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request, even though I am retired, that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments.

Thank you for your consideration of my testimony.

From: Trisha Takayama <noreply@jotform.com>
Sent: Thursday, February 21, 2019 9:12 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Trisha Takayama

Email: trishatakako.takayama@student.chaminade.edu

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: ANN KISHI <noreply@jotform.com>
Sent: Thursday, February 21, 2019 9:06 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: ANN KISHI

Email: ANNLUJANKISHI@GMAIL.COM

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Sharoldine Sisneros <noreply@jotform.com>

Sent: Thursday, February 21, 2019 8:38 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Sharoldine Sisneros

Email: desireurfuture@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$15 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Steven Lee <noreply@jotform.com>
Sent: Thursday, February 21, 2019 8:32 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Steven Lee

Email: opusx100@hotmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Nathan Braulick <noreply@jotform.com>
Sent: Thursday, February 21, 2019 8:19 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Nathan Braulick Email: braulick@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Pattye Wright <noreply@jotform.com>
Sent: Thursday, February 21, 2019 6:25 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Pattye Wright

Email: realhula@earthlink.net Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jeff Gilbreath Jeff Gilbreath < noreply@jotform.com>

Sent: Thursday, February 21, 2019 5:11 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jeff Gilbreath Jeff Gilbreath Email: jeff@hawaiiancommunity.net

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jun Shin <noreply@jotform.com>
Sent: Thursday, February 21, 2019 3:58 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jun Shin

Email: junshinbusiness729@gmail.com

Attending the hearing: Yes

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Carla Allison <noreply@jotform.com>
Sent: Thursday, February 21, 2019 2:04 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Carla Allison

Email: cbm@hawaii.rr.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Chris Santomauro <noreply@jotform.com> Sent: Thursday, February 21, 2019 1:19 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Chris Santomauro Email: csantoma@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Dawn Morais <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 11:32 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Dawn Morais

Email: dmoraiswebster@gmail.com

Attending the hearing: Yes

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

I support HB 1191 HD1, but ask that we please not settle for a token raise. We know what it takes to survive in this expensive state. Let's give people the means of keeping body and soul together with a meaningful raise that is informed by what we know of the cost of living. Please consider making the following amendments:

Increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for addressing this bill that is so very important to lifting people out of poverty.

From: Jeri Di Pietro <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 11:08 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jeri Di Pietro Email: ofstone@aol.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Lynn Robinson-Onderko <noreply@jotform.com>

Sent: Wednesday, February 20, 2019 10:57 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Lynn Robinson-Onderko Email: lynneronderko@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Kaylene Evans < kaylenee@hawaii.edu>
Sent: Wednesday, February 20, 2019 10:27 PM

To: FINtestimony

Subject: Testimony in SUPPORT of HB1191 HD1

Aloha Chair Luke and members of the committee,

I strongly support raising the minimum wage to meet the self-sufficiency level as calculated by DBEDT. HB1 191 increases the wage to \$15 for employees without employer-provided health insurance, and allows employers who do provide health insurance to pay a sub-minimum wage to their employees. This is simply not enough to allow working people a chance to thrive in Hawai'i. The self-sufficiency level for 2019 is \$17 an hour, and it is already losing ground to inflation and increasing costs of living in the islands.

Please amend HB1191 HD1 to increase the wage by 10% annually until the minimum wage catches up to the self-sufficiency level. Please also include language that would automatically increase the wage thereafter to match the self-sufficiency level, calculated annually by DBEDT. If a health insurance carve-out must be included, then set the minimum for employers providing insurance at the self-sufficiency level and require employers that do not provide health insurance to pay higher than the minimum, rather than allowing for sub-minimum wage exploitation.

There is no good reason why we shouldn't do this. The restaurant industry and the Chamber of Commerce testified against the 2014 wage increase by claiming businesses would collapse, prices would skyrocket and jobs would be cut. They claimed the sky would fall. They were lying. Nothing of the sort has happened.

In fact, between 2014-2018, we raised the wage by approximately 10% per year, and there are more small businesses around today than in 2014. There are more restaurant jobs today than in 2014. Unemployment has been cut in half over the same period. Prices have increased marginally, but at the same rate they would have anyway. These are not opinions. They are facts.

Please do right by the people of Hawai'i and legislate a true living wage for all our workers. The tourism economy - the economy itself - would not operate without its employees. Yet, they do not get the pay and dignity they deserve. It is vital to implement higher wages to begin to close the income inequality gap.

Mahalo, Kaylene Evans

From: Maisa Thayer <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 10:21 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Maisa Thayer

Email: maisathayer@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Marjorie Erway <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 10:10 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Marjorie Erway

Email: merway@hawaii.rr.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Matt LoPresti <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 10:09 PM

To: FINtestimony

Subject: In Support w/ amendments for HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Matt LoPresti

Email: matt\_lopresti@yahoo.com

Attending the hearing: No

Aloha Chair Luke, Vice Chair Cullen, and members of the Committee:

I hope you are all doing well. Thank you for your service.

Please consider passing HB 1191 HD1 with the following amendments or something close to them:

- 1) Raise it to \$17/hour.
- 2) Restrict health care credit to only small businesses with 25 or fewer employees.
- 3) Phase out health care credit over 5 years so that eventually all minimum wage workers earn the same wage.

Thank you for your time and consideration.

Matt LoPresti

From: Don May <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 10:03 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Don May

Email: earthcorps246@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that \$4039;s not enough to make ends meet now, let alone in 2024.

That \$\pmu 4039;\text{s} why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Darlene Rodrigues <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:56 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Darlene Rodrigues

Email: darlene.rodrigues@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Diane Brandon <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:54 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Diane Brandon

Email: nslmrmd@hawaii.rr.com Attending the hearing: Yes

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024. We lose bright, talented and educated young people everyday as they move from HI to places where they are paid a better wage. Loss of youth puts a big drain on the advancement of our state.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: William Collins <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:27 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: William Collins

Email: cableguy1@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

I am a member of the Democratic Party of Hawaii. Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Christine Weger <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:26 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Christine Weger

Email: cweger@diehlandweger.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

The committee should increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers. This wage will barely allow people to pay the bills due to the high cost of living here.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments.

Please don't pass the buck to the counties as would happen under HB 96-- We are counting on you to take a strong stand and make this happen!

Mahalo,

From: Cindy Aban <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:09 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Cindy Aban

Email: caban54@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

In Solidarity, Cindy Aban Waipahu

From: Anthony Edington <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:00 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Anthony Edington Email: cheftonye@aol.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I strongly support HB 1191 HD1, with the amendments described below. I am a resident on Maui and life long member of the Democrat Party. I vote in all elections and am active in our precinct and district politics. I understand this issue. I have worked as an hourly employee and managed hourly employees. We need to make this change.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Paula Alcoseba <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 8:59 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Paula Alcoseba Email: paula33@hawaii.edu Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Les lijima <noreply@jotform.com>
Sent: Thursday, February 21, 2019 12:20 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Les lijima

Email: dijri@yahoo.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Rusty Iijima <noreply@jotform.com>
Sent: Thursday, February 21, 2019 12:18 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Rusty lijima

Email: dijri1201@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Robert Perkinson < noreply@jotform.com>
Sent: Thursday, February 21, 2019 12:07 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Robert Perkinson Email: perk@hawaii.edu Attending the hearing: No

Dear chairs and members,

I support HB 1191, though I request that you increase the final amount to \$17 an hour.

I'm a professor at UH and have been reading through the economic studies on minimum-wage increases. We are fortunate that other jurisdictions have gone first, which means we have good data to guide our decisions. The research is clear: Increases to the minimum wage have not causes adverse economic consequences, neither with respect to inflation nor unemployment. In fact, the net to the overall economy is generally positive, largely because low-wage earners spend most of what they receive, thereby stimulating the economy as a whole.

I know there will be opposition to this bill. I would respectfully ask that you take some of it with a grain of salt. As a historian, I have noted that some businesses have opposed every wage and labor regulation over the course of the twentieth century. Child labor restrictions? Mill owners said it would put them out of business. A 40-hour work week? Railroads said freight costs would soar.

In fact, none of these dire predictions came to pass, and we are a better country for these regulations. We all gain when we regulate our economy for the good of everyone, not just business owners. Some will indeed face challenges in the adjustment, but we are better off in a society that provides some modest protections to the most vulnerable among us. We foster a healthier democracy too.

Aloha.

From: Tim <iamtimzhu@gmail.com>

Sent: Thursday, February 21, 2019 12:02 PM

To: FINtestimony

Subject: In support of HB1191

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage. Thank you for the opportunity to testify!

Sincerely, Tim Zhu

From: Charles Ota <noreply@jotform.com>
Sent: Thursday, February 21, 2019 11:38 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Charles Ota

Email: otac005@yahoo.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

While passage of this bill will not provide for a living wage, it is a step forward to advance personal income. There are other steps such as modernizing the state GET and Jones Act exemptions for Hawaii that could reduce the overall cost of living for Hawaii's families.

From: Malama Minn <noreply@jotform.com>
Sent: Thursday, February 21, 2019 11:23 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Malama Minn

Email: mminn811@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jacob Noa <noreply@jotform.com>
Sent: Thursday, February 21, 2019 10:55 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jacob Noa

Email: noajacob@hawaii.edu Attending the hearing: Yes

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Thank you for the opportunity to present testimony. I am a University of Hawai'i student, as well as a food service worker. I support HB 1191 HD1, with the proposed amendments by Raise Up Hawai'i that would incrementally increase the minimum wage to \$17 per hour by 2024, and \$14 per hour for those who receive health insurance from their employers.

Raising the minimum wage is essential to addressing structural issues of wealth inequality, and would especially benefit the many workers that occupy low wage positions within the service industry. For food service workers, low-wage, no benefit employment is the standard, and a large percentage of these workers—including myself— work at or around the minimum.

Through years spent in this industry, I have met many people who work incredibly long hours in miserable conditions. Many of whom are not just teens or students at their first jobs, but older folks; mothers, fathers, even grandparents. This demographic is rarely talked about; they're essentially rendered invisible, hidden away in hot kitchens, doing 60-80 hour work weeks for around the same wage as myself. I have worked with older aunties who had frequently logged well over one hundred hours in a two-week pay period. One of whom was forced to bring along her granddaughter while she worked in the hot kitchen nearly everyday, as the mother was also working full-time and she just had no other options. Situations like this are all too common in Hawai'i due to the extreme cost of living. An actual living wage would make a substantial difference for families in these situations.

To put things into perspective, from the state's economic analysis of 2018, the industry of Accomodation and Food services accounts for 13.6% of Hawaii's employment—the largest percentage of workers by industry. According to an analysis done by MIT, a current living wage for one adult in Honolulu working at full-time is about \$16.46. For an adult with one child it is \$26.60. These numbers represent a grim reality for everyone, but especially those parents in the service industries. The only conceivable way that many families can make ends meet is by working incredibly long hours, and often multiple jobs. This puts a heavy strain on familial relationships, and especially their ability to raise their kids.

I urge you to pass HB 1191 HD1 with these amendments as a first step in addressing the wage disparity that continues to take a heavy toll on economically vulnerable families that unfortunately have no choice but to rely on these industries. Thank you for your time and consideration.



From: Brooke Carlson <noreply@jotform.com>
Sent: Thursday, February 21, 2019 2:33 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Brooke Carlson

Email: brooke.carlson@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jill Greengrove <noreply@jotform.com>
Sent: Thursday, February 21, 2019 1:28 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jill Greengrove Email: kj96779@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: larry smith <noreply@jotform.com>
Sent: Thursday, February 21, 2019 1:19 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: larry smith

Email: larrysmith808@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

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Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Brooke Carlson <noreply@jotform.com>
Sent: Thursday, February 21, 2019 2:33 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Brooke Carlson

Email: brooke.carlson@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

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That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Jill Greengrove <noreply@jotform.com>
Sent: Thursday, February 21, 2019 1:28 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Jill Greengrove Email: kj96779@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

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That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: larry smith <noreply@jotform.com>
Sent: Thursday, February 21, 2019 1:19 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: larry smith

Email: larrysmith808@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

From: Lucie Knor Hawaii < luciek@hawaii.edu> Sent: Thursday, February 21, 2019 10:16 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Sincerely,

Lucie Knor

Graduate Student, University of Hawai'i Manoa

From: Jarrod Lofy <lofy@hawaii.edu>

Sent: Thursday, February 21, 2019 8:21 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

I'm not sure if you'll read this or not. However I wanted to add my own personal story to the fight for a living wage here in Hawaii.

After graduating UH I struggled for a long time trying to find a job here in Hawaii. Hawaii has been and will be my home for the rest of my life. Unfortunately unable to find a good paying Computer Science job, I turned to part time jobs.

Working up to three at any one time. I was working anywhere above 60 hrs a week just to make ends meet. I cannot stress enough how much of a toll this takes. I was barely making enough to pay for food and bills. Any unexpected life event was crushing. A car bill could set me back weeks, and accident months, I was anxious about every little thing that could set me back next. It happened over and over again, there's a helplessness that comes with this.

You can't save, you can't plan, you just find a way to barely scrape together one bill, then the next. It's painful. I've seen it everywhere and it shows. My home is unaffordable for everyone but the luckiest of us that happened to land a good job.

I only recently was able to rise out of this hopelessness and find a good paying job myself. The amount of anxiety, depression, and overwhelming hopelessness I once had has all but disappeared. The time I had spent barely scraping it together has left a lasting impression on me. I hope you find a way to do the right thing. Our brothers and sisters are struggling everywhere. Raising the minimum wage to a living wage would help all of the workers of Hawaii.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Jarrod Lofy Former UH Men's Volleyball Alumni 562 213 7413

From:	ryan little <ryanslittle@icloud.com></ryanslittle@icloud.com>
Sent:	Thursday, February 21, 2019 11:52 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

Stop punting the issue for fear of political retribution.

Thanks,

Ryan Little

From: Daniel Flores <dflores2@hawaii.edu> Sent: Thursday, February 21, 2019 12:22 PM

To: FINtestimony

Subject: Please Amend HB1191 to a Living Wage

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, C Kitagawa, C Matayoshi, C Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Thank you for your time, Daniel Flores.

From: SRO HKU <hansandsusana@gmail.com> Sent: Thursday, February 21, 2019 12:10 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Mahalo nui for your time, Susana Román

From: Garrett Bell <gmontgomeryb@gmail.com>
Sent: Thursday, February 21, 2019 12:08 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

From: Jennifer Hsu <jhsu2@hawaii.edu> Sent: Thursday, February 21, 2019 11:48 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Dawn Kubota <dawnkubota@gmail.com>
Sent: Thursday, February 21, 2019 11:42 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Shaina Saiki <shaina.saiki@gmail.com> Sent: Thursday, February 21, 2019 11:38 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Troy Kimberlin <troy@emailhme.com>
Sent: Thursday, February 21, 2019 11:38 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

Troy Kimberlin

Sr. Loan Specialist Hawaii Mortgage Experts Better Business Bureau Rating: A+ 6700 Kalanianaole Hwy Suite 215 Honolulu, HI 96825 NMLS # 1201478 Mobile Phone: 808.253.8720

Direct Fax: 808.983.1082 Troy@EmailHME.com

www.hawaiimortgageexperts.com/agents/troy-kimberlin/

Client Testimonials: "OUTSTANDING Service and a very impressive performance rendered during the whole duration of my refinance. From start to completion, it was flawless in all respect and completed in a very short period of time. Keep-up the good work!"-Rodrigo R.

- "Troy has excellent customer service. He explained each step of the refinance process very well. When there were questions that I had, he answered them and put my mind at ease. Overall, the experience was an A+! Thanks!" Liz B.
- "Troy is awesome! He was there helping us every step of the way and went over and beyond to help us. I am so happy we got to work with him. He is very thorough, courteous, and always on top of things. Great person to work with all around with lots of aloha and understanding. I can't imagine working with anyone else." Albert N. "Troy was very helpful throughout the refinancing process. He was always happy to take the time to explain in detail all of the aspects of the refinance process and was able to complete my refinance within 2 weeks. I'm very happy with Troy and his team and would not hesitate to work with him in the future." Chris P.

From: Christian Reyes <crreyes.249@gmail.com> Sent: Thursday, February 21, 2019 11:35 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Aurora Naone <auroranaone@gmail.com>
Sent: Thursday, February 21, 2019 11:35 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Keanu Robles <kd.robles95@gmail.com> Sent: Thursday, February 21, 2019 11:34 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Christiana Buenconsejo <cbuenconsejo17@gmail.com>

Sent: Thursday, February 21, 2019 11:29 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Sincerely, Christiana Buenconsejo

From:	Matthew Geverola <matt@emailhme.com></matt@emailhme.com>
Sent:	Thursday, February 21, 2019 11:24 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Mahalo,

Matthew Geverola

From: Iris Kinerney <seankinerney@icloud.com> Sent: Thursday, February 21, 2019 11:17 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Sean Kinerney <808tutting@gmail.com>
Sent: Thursday, February 21, 2019 11:17 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Melissa Tokumoto <mmelissa78@yahoo.com>

Sent: Thursday, February 21, 2019 11:16 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Melissa Tokumoto

From: Josh Michaels < josh.j.michaels@gmail.com> Sent: Thursday, February 21, 2019 11:10 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

Mahalo, Joshua Michaels Honolulu, HI

From: Greg Farstrup < gfarstrup@msn.com>
Sent: Thursday, February 21, 2019 11:09 AM

To: FINtestimony

Subject: Please Amend HB 1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

One job should be enough!

All workers deserve to be able to make ends meet after 40 hours of work, so please amend HB 1192 to a living wage, estimated today at \$17 per hour.

\$12.50 is not a sufficient wage for a full-time worker.

If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond.

At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

We urge you to amend HB 1192 to \$17/hour, and vote for enacting it to support Hawai'i's families and reduce homelessness.

Mahalo, Greg and Pat Farstrup Pauoa

From: Justinefreebird Espiritu <espiritu.justine@gmail.com>

Sent: Thursday, February 21, 2019 11:02 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

More than 190 national Democratic Congresspeople including Tulsi Gabbard and Ed Case are pushing \$1.30 annual increases in the national minimum wage to reach \$15 by 2024. HB1191 only asks for \$0.50 annual increases for full-time workers and reaches \$12.50 per hour by 2024.

Hawaii workers have the highest cost of living and deserve the highest minimum wage. Please make sure that we can afford our basic necessities with a minimum wage of \$17 per hour or more. \$17 is what Hawaii's own Dept. Of Business, Economic Development and Tourism report identified as the most basic "living wage" for survival.

I look forward to tracking each committee members vote on this issue.

Thank you for your consideration.

Justine 3035 Hibiscus Drive Honolulu, HI 96815

From: james\_mcdonough < james\_mcdonough@fastmail.fm>

Sent: Thursday, February 21, 2019 10:41 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Sent from my T-Mobile 4G LTE Device

From: Zachary Stoddard <zstoddard@gmail.com>
Sent: Thursday, February 21, 2019 10:37 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Chair Luke, I am a constituent living in Punchbowl and am a member of the neighborhood board. We've met briefly a couple times. Thank you for your consideration.

Zack Stoddard

From: Kristen Burkhart < kristenburkhart27@gmail.com>

Sent: Thursday, February 21, 2019 12:55 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

From: Sent: To: Cc: Subject:	Sautia Tanoa < tanoa@hawaii.edu> Thursday, February 21, 2019 12:55 PM FINtestimony info@livingwagehawaii.com Please Amend HB1191 to a Living Wage	
Aloha Chair Luke, Vice-Chair Culler	n, and members of the Committee,	
	main opposition to a living wage, but even Thomas Donohue, the U.S. Chamber of ognizes the need for wage increases in states like ours.	
In regards to minimum wage increases, at a press conference in January he said "In times past, we always would say, 'Well, wait a minute,' look, these are different times, and we're going to listen. We're not going out and opposing, but some states have got legitimate concerns here."		
With the U.S. Chamber of Commerce recognizing that minimum wages should reflect the needs of each state, I ask that our legislators push our minimum wage up to reflect our highest in the nation cost of living.		
Lastly, a lot of the arguments against minimum wage increases have been repudiated as demonstrated in States such as Washington that have done so and is flourishing. We're on the precipice of moral change and hopefully towards something better for our children and for Hawaii but we must act. Let's be on the right side of history.		
Mahalo,		
Sautia Tanoa		
Sent from my iPhone		

From: Michael Inouye <banzaimike@gmail.com> Sent: Thursday, February 21, 2019 12:52 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

From: Sheigh Yap <yap.sheigh@gmail.com>
Sent: Thursday, February 21, 2019 12:52 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Sandra Salisbury <salwilsan@icloud.com> Sent: Sandra Salisbury <1, 2019 12:47 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Thank you Sandra Salisbury

Sent from my iPad

From: Flora M. Wang <floramwang@gmail.com> Sent: Thursday, February 21, 2019 12:59 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

As a graduate of UH Manoa, my job after graduation did not pay a living wage. For this reason, I had to continue living with my parents because I could not afford to survive without their assistance. As a college graduate and lifelong Hawaii resident, I could not afford the most basic necessities if my parents did not help. This story is not unique to me as many of my friends have similar stories.

Thank you for your time.

From: Tim Vandeveer < tvandeveer 76@gmail.com>

Sent: Thursday, February 21, 2019 1:08 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Thanks for your time-Tim Vandeveer

Sent from my iPhone

From: Jayme Barton <jaymebee@gmail.com>
Sent: Thursday, February 21, 2019 2:53 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Jayme

Sent from my iPhone

From: Megan Jones <m6jones6@gmail.com> Sent: Thursday, February 21, 2019 2:45 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

From: Zachary Larsen <zclarsen@gmail.com>
Sent: Thursday, February 21, 2019 2:35 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

A living wage in Hawaii is estimated at \$17 per hour for a single adult. With a majority in the Finance Committee publicly supportive of increasing the minimum wage to a living wage, we are confident that if this bill gets put to a vote that it will pass. Please amend HB1191 to increase the minimum wage to at least \$17 by 2024 and allow this bill to come to a vote.

Zach Larsen Zclarsen@gmail.com 801-644-7468

From: Kvn Lndrs <kvnplndrs@gmail.com> Sent: Kvn Lndrs <kvnplndrs@gmail.com> Thursday, February 21, 2019 2:25 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in multiple States will all be earning more than \$15 per hour and \$31,000 per year by 2023. With Hawai'i's high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Mahalo,

Kevin Landers 808.777.7214

From: Amelia Keefe <ameliak@hawaii.edu>
Sent: Thursday, February 21, 2019 2:09 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Sent from my iPhone

From: Allayna <allaynakquiocho@gmail.com>
Sent: Thursday, February 21, 2019 2:07 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Allayna Quiocho

From: Kimi Sarroca-Shimabukuro <kimi.sarroca.kss@gmail.com>

Sent: Thursday, February 21, 2019 1:54 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Sent from my iPhone

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

From: Lauren Kim < ljyk@hawaii.edu>

Sent: Thursday, February 21, 2019 1:43 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Sent from my iPhone

From: Anne Nason <outlook\_BE19BE7A8DA45A7B@outlook.com>

Sent: Thursday, February 21, 2019 1:32 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour. Sent from Mail for Windows 10

From: Deborah Nehmad <debnehmad0808@gmail.com>

Sent: Thursday, February 21, 2019 1:28 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Thank you

Deb Nehmad

Sent from my iPhone

From: AnneRaeli Nason <shoreplaymaui@gmail.com>

Sent: Thursday, February 21, 2019 1:20 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee, \$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs. All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

From: Lucie Knor Hawaii < luciek@hawaii.edu> Sent: Thursday, February 21, 2019 10:16 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Sincerely,

Lucie Knor

Graduate Student, University of Hawai'i Manoa

From: Jarrod Lofy <lofy@hawaii.edu>

Sent: Thursday, February 21, 2019 8:21 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

I'm not sure if you'll read this or not. However I wanted to add my own personal story to the fight for a living wage here in Hawaii.

After graduating UH I struggled for a long time trying to find a job here in Hawaii. Hawaii has been and will be my home for the rest of my life. Unfortunately unable to find a good paying Computer Science job, I turned to part time jobs.

Working up to three at any one time. I was working anywhere above 60 hrs a week just to make ends meet. I cannot stress enough how much of a toll this takes. I was barely making enough to pay for food and bills. Any unexpected life event was crushing. A car bill could set me back weeks, and accident months, I was anxious about every little thing that could set me back next. It happened over and over again, there's a helplessness that comes with this.

You can't save, you can't plan, you just find a way to barely scrape together one bill, then the next. It's painful. I've seen it everywhere and it shows. My home is unaffordable for everyone but the luckiest of us that happened to land a good job.

I only recently was able to rise out of this hopelessness and find a good paying job myself. The amount of anxiety, depression, and overwhelming hopelessness I once had has all but disappeared. The time I had spent barely scraping it together has left a lasting impression on me. I hope you find a way to do the right thing. Our brothers and sisters are struggling everywhere. Raising the minimum wage to a living wage would help all of the workers of Hawaii.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Jarrod Lofy Former UH Men's Volleyball Alumni 562 213 7413

Sent from my iPhone

From: AnneRaeli Nason <shoreplaymaui@gmail.com>

Sent: Thursday, February 21, 2019 1:20 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee, \$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs. All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

From: Amanda Silliman <noreply@jotform.com> Sent: Thursday, February 21, 2019 10:09 AM

To: FINtestimony

Subject: Comments on HB 96 HD1 -- Relating to Minimum Wage

To: House Committee on Finance

From: Amanda Silliman Email: asillima@hawaii.edu

Hearing date: Friday, February 22, 2019, 12:30 p.m.

Hearing location: Conference room 308

Subject: Comments on HB 96 HD1 -- Relating to Minimum Wage

Will be attending hearing: No

To Chair Luke and Members of the Finance Committee:

My name is Amanda Silliman and I'm a Graduate Student attending the University of Hawaii at Manoa. I would like to encourage your support of HB 96 HD1, which would authorize the counties to establish a minimum wage that is higher than the state minimum wage.

At my current job I work full time, including unpaid weekend hours, and I am paid less than minimum wage. The Hawai'i Department of Business, Economic Development & Tourism, set the, "self-sufficiency income standard for a single adult with no children in 2016 was nearly \$33,000 per year" (qtd. In "Raise up Hawaii" par. 3) if the minimum wage was raised to \$15.84. However, even if minimum wage was raised to this amount, it would continue to be be a struggle for me, and people like me, to support ourselves, pay student dues, cover car payments, and pay a mortgage.

Not everyone who works a minimum wage job is a youth or in a situation where they can depend on others for financial support. This is not the American dream Millennials were promised, nor will it be the American dream for Generation Z for whom milestones of adulthood will continue to drift farther and farther out of reach if minimum wage continues to lag behind the cost of living.

We're all familiar with articles that critique Millenials for killing this or that industry, amongst which include restaurants, housing, diamonds, and mayonnaise if one were to look at the most sensational victims on the list. However, this speaks to a larger issue—that the decrease in an entire generation's spending habits is not the result of snobbishness, but a lack of finances. As Derek Thompson cites in, "Millennials Didn't Kill the Economy. The Economy Killed Millennials," the Joint Center for Housing Studies of Harvard University, that, "the typical sale price of an existing single-family home in 2017 was 4.2 times greater than the median household income... 30 percent higher than in 1988" (par. 10) How does this play out here in the islands? According to a 2017 KITV article, "Oahu single-family home prices hits record \$795k", the median price for buying a home is out of reach for most locals, subsequently pushing them out of the state. You don't have to look far to find a friend or family member for whom the struggle to start or maintain a family on Oahu is worry perched at the back of their minds.

We must ask ourselves how we can expect our community to flourish if the minimum wage is too low to adequately

support the cost of living. I may never own a home on the island I grew up on, and eventually I may be forced by financial circumstance to move elsewhere. If more isn't done to provide a living wage, you can expect for this kind of scenario to be the one that crumbles our community.

Please support the institution of a living wage.

Mahalo for your consideration of my comments.

# TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: HB 1191, HD1 - RELATING TO MINIMUM WAGE

FRIDAY, FEBRUARY 22, 2019

MITZIE HIGA, LEGISLATIVE CHAIR DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Luke and Members of the Committee:

The Democratic Party of Hawaii Labor Caucus <u>supports HB 1191, HD1 with the suggested amendments</u>, relating to minimum wage.

Our minimum wage workers earn only \$21,000 a year (working full time at \$10.10 per hour) while facing the highest cost of living in the nation. For example, a Hawaii minimum wage worker would have to work 109 hours per week just to pay rent for a 1-bedroom apartment.

This bill, prior to the HD1 amendments, would have increased our state's minimum wage to \$17 in 6 steps from 2020 to 2025. This new House draft will only increase the minimum wage to \$15 by 2024. According to DBEDT, the self-sufficiency income standard for a single person with no children and employer-provided health insurance in 2016 was \$15.84 per hour, which comes out to \$17 in 2019. Since HB1191, HD1 would provide for a lower wage for employees who receive employer-paid health insurance, it would also make sense to amend the language to make \$17 the lower-tier wage, and then offer a higher wage for employees who don't get health insurance from their employers, and also amend it back to the language in HD1 with 6 steps to reach \$17 by 2025.

Our minimum wage has been falling further behind inflation since Jan. 1, 2018, the last time the wage was increased. The minimum wage in 17 states plus DC have automatic inflation adjustments, and this bill would have Hawaii join them.

However, tipped workers in Hawaii can be paid even less than \$10.10. Seven states, including Nevada and all of the West Coast, have eliminated this sub-minimum wage for tipped workers and pay all of their workers the same minimum wage. Hawai'i should join them, too, with an amendment to eliminate the tip credit.

Research shows that higher wages are good for businesses, too. Between 2015 and 2018, Hawai'i's minimum wage increased by 39 percent while our unemployment rate dropped and restaurants hired more servers. That's because higher wages improve worker morale, productivity and loyalty, which saves employers the costs of constantly hiring and training new people. And any extra money paid to minimum wage workers is plowed right back into local businesses, leading to positive ripple effects across our economy.

To provide a living wage to all workers in Hawaii, the Labor Caucus asks your committee to **support** this bill with suggested amendments.

From: Hiroshi Lamansky <wlvzzpvqukrhtls@ujoin.co> Sent: Wednesday, February 20, 2019 11:05 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: hdl@tanakarestaurants.com <Hiroshi Lamansky>

#### Message:

Tanaka of Tokyo currently operates three restaurants in Honolulu and employs over 150 employees. We have been serving local families and visitors from around the world since 1978. The majority of employees in the restaurant industry receives tips as their primary source of income, on top of an hourly rate. Ninety percent of our staff falls in the category of "tipped employees". Based on our payroll records, our servers on average earn \$30 per hour, our busboys earn \$22 per hour, our bartenders \$31 per hour, and our teppan chefs \$32 per hour. As you can see from these figures, which are comparable to the majority of full service restaurants, staff who receive tips are not the same as "minimum" wage" earners and cannot be categorized as such. Currently, Hawaii has a tip credit of \$0.25, by far the lowest in our nation that has an average tip credit of \$4.83 from states that allow the tip credit. Any increase in the minimum wage without an equal increase in the tip credit will negatively affect all restaurants, just as we have experienced over the past five years. Since the last Hawaii wage and hour law bill passed to increase the minimum wage each year from 2014-2018, we cut our annual employee labor hours by 15%. In an effort to make up for the additional labor costs due to an increase in the minimum wage without an equal increase in the tip credit, restaurants will continue to be forced cut labor hours, and unfortunately, jobs will be lost as restaurants reduce payroll expenses. Consequently, when restaurants are not adequately staffed, service suffers, and the damages for a restaurant business of having a poor reputation is fatal. Restaurants are one of the largest employers in Hawaii and our state heavily relies on tourism. Dining out in Hawaii is a main attraction for visitors and locals alike. Whether it is students working part time to pay their way through school, or our employees making a career for their living in the restaurant industry, it is our hope and goal that we will be able to continue to assist the state by providing employment and contributing to our state, which we will only be able to do if the tip credit, at the very least, is increased at an equal amount to the proposed increase in the minimum wage. Thank you, Hiroshi Lamansky

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Hiroshi Lamansky

Vice President

Honolulu

Hawaii

From: Skyler Yamada <wcjfnywjwsjbwhx@ujoin.co>

Sent: Thursday, February 21, 2019 2:13 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: skyler.yamada@gmail.com <Skyler Yamada>

### Message:

To whom it may concern, In addition to the above, I would like to bring to your attention, a few additional reasons of why this bill should not be passed as written. Tourism is one of Hawaii's biggest industries that contributes to our economic growth. In the hospitality and restaurant industries, many of the employees receive tips to supplement their hourly wages. While the minimum wage is currently \$10.10 (\$9.35 with tip credit), this does not factor in the tips that the employees make. I have worked for several companies in the restaurant and hospitality industry, and can confidently state from experience, that tipped employees actually take home \$22.00 to \$32.00 an hour on average, when factoring in their nightly tips. This is just the average, and many of the employees make much more on weekends, holidays, and busy seasons. This is true only for tipped employees, which is why the USDOL implemented tip credit exists. However, the tip credit in Hawaii is only \$0.75, which is well below the \$4.83 national average. The second lowest tip credit in the nation is \$2.90, almost four times the Hawaii tip credit, putting Hawaii legislation far behind the rest of the nation. This makes it very difficult for economic growth, as companies struggle to stay in business, and do not have the resources to expand. This limits our economic and job growth in our biggest industry, an industry that Hawaii cannot afford to fall behind in. Hawaii restaurants operate in a two to three percent profit margin (as documented in Pacific Business News in their December 2018 article), which is already below the national average of three to five percent. Due to these extremely low profit margins, Hawaii restaurants have already been forced to minimize costs effectively, just to stay in business. With the high costs of good being shipped into the islands, there is very little room for further cost decreases in products. In the current version of the bill, wage expenses will increase by 50%, an amount that Hawaii restaurants will be unable to absorb. As business will be unable to effectively cut back on the cost of goods, they will be forced to further reduce their labor costs. If the bill is passed, employees will see a rise in their hourly pay, but at the risk of seeing less income on their paychecks. This will be due to businesses being forced to reduce their labor hours, which the employees will feel the impacts of. In addition to reducing labor hours, positions will also need to be eliminated, and unemployment will rise. In order to run a business competitively, we must always be competitively priced and properly staffed to provide an excellent quest experience, or risk losing our quest's repeat busines s. This will be a difficult decision for many small-businesses to make, and many will be forced to shut down, further contributing to the state's unemployment rate. In the current, low-unemployment economy, employees currently have the advantage of selecting careers at businesses of their choice. Each business currently faces the everyday task of searching for employees, and are already being competitive to retain loyal personnel. A solution to this predicament is increasing the Hawaii tip credit accordingly, in an amount greater than the increase in the minimum wage. This will help Hawaii become equal with the rest of the nation, and ensure healthy job growth in our economy. At the minimum, this bill should be re-written to include this important addition, in order to protect our most valued industry. We have already seen too many of Hawaii's "landmark" restaurants close due to increased business costs, and will lose many more if this bill passes as written. Our keiki will already miss out on the opportunity to eat at iconic restaurants that we experienced, such as Wailana Coffee House, Kenny's Restaurant, and Willows Restaurant, just to name a few. It would be tragic for more of these long-term, community-focused businesses to have to close due to increased wage expenses. Thank you for your consideration, Skyler Yamada

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Skyler Yamada

Restaurant General Manager

Honolulu

Hawaii



From: Hunter Heaivilin < hunter@supersistence.org >

Sent: Thursday, February 21, 2019 5:42 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

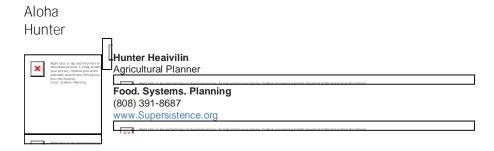
Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

The Chamber of Commerce is the main opposition to a living wage, but even Thomas Donohue, the U.S. Chamber of Commerce President and CEO, recognizes the need for wage increases in states like ours.

In regards to minimum wage increases, at a press conference in January he said "In times past, we always would say, 'Well, wait a minute,' look, these are different times, and we're going to listen. We're not going out and opposing, but some states have got legitimate concerns here."

With the U.S. Chamber of Commerce recognizing that minimum wages should reflect the needs of each state, I ask that our legislators push our minimum wage up to reflect our highest in the nation cost of living.





From: Michelle Gorham < michelle.gorham@gmail.com>

Sent: Thursday, February 21, 2019 5:03 PM

To: FINtestimony

Subject: We can do better for our people than \$12.50/hr: HB1191

Aloha e Chair Luke, Vice-Chair Cullen, and Committee members,

Hawaii residents deserve to live with dignity. Hawaii residents deserve to not suffer.

With a living wage, we strengthen the fabric of our community. The negative impacts of Hawaii's current system of government-sanctioned poverty wages are evidenced by houselessness, latchkey kids, broken families, a suffering agriculture and food system, a nd malnutrition, among other things.

I think we can all agree that \$12.50 is not enough to live on in Hawaii. If this bill passes in its current form, many of Hawaii's residents with a full time job will bring in \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this translates to a single adult worker putting in 58 hours per week to afford basic needs.

Our society is struggling and we have become all-too complacent - casually stepping over the face of our broken democracy with every yielded step and gaze avoiding houselessness, suffering, and poverty as we walk to the capitol. I recognize that a Living Wage is just one part of the larger puzzle. However, you - our legislature - are responsible to the needs of all people. This is why we voted you into office. You have the opportunity to support equity for all of your constituents with this vote - including those most vulnerable. Please consider this in your decision making.

Our democracy needs and our people deserve a living wage.

Thank you, Michelle Gorham Palolo, Hawaii resident, Business owner, non-profit exec. and living wage supporter



From: Alissa Torigoe <aatorigoe@gmail.com>
Sent: Thursday, February 21, 2019 4:54 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.



From: Brandi Subee <pfeqhbpsocxidpe@ujoin.co>
Sent: Thursday, February 21, 2019 4:30 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: brandi@ekfernandez.com <Brandi Subee>

### Message:

Hello, I'm submitting testimony on behalf of Fun Foods LLC and Rock N Fun LLC. We are a restaurant type of business. Increasing the minimum wage more will definitely affect our profitability as it is already difficult to operate with the previous years' increases. Mainly, we are not able to increase prices enough to sustain the minimum wage increase. We also do not believe an increase will help minimum wage earners as the increase will push companies to raise their prices, putting the minimum wage earners back in the same position and hurting businesses like ours more than before.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Executive Administra	tor
Kapolei	

Brandi Subee

Hawaii

From: Cody Moniz <noreply@jotform.com>
Sent: Thursday, February 21, 2019 4:23 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Cody Moniz

Email: cody.moniz@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

1

From: Chester Kaneshiro <fiflhsxaqfdrxkx@ujoin.co>

Sent: Thursday, February 21, 2019 4:12 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: cek@tanakarestaurants.com < Chester Kaneshiro>

### Message:

Dear Sir or Madam, Tanaka of Tokyo Restaurants Ltd. is a local chain of restaurants with over 175 employees. We have been serving the tourists and local community for the past 40 years. The recent proposal to increase the minimum wage would seriously upset the dynamics of the restaurant industry and threaten its ability to compete and survive as a viable business entity. We strongly oppose HB 1191. Bill HB 1191 is ill conceived, unwarranted and an enormous hardship for all businesses in Hawaii. There are far too many government mandates that have a negative impact on private enterprises. They intrude heavily into the lives of the employer and employees whose livelihood depends on jobs. It's a no win situation for small businesses. The bill is unjustified and places businesses and especially restaurants at an economic risk. Our margin between failure and survival is razor thin and we wanted to express our collective opposition, frustration and concern with these constant mandates. The hospitality industry is experiencing extreme difficulty with the increase in medical coverage, commodity goods, and all other related expenses. HB1191 would deal a tremendous set back and financial burden for many establishments, the loss of jobs especially at the entry level. It will discourage businesses to provide jobs for high school graduates and college students that have not accumulated any experience or life skills. It is the responsibility of our elected officials to establish a climate in which businesses can contribute to promote the general welfare of the state. However, the legislature continues to burden restaurants with legislation not mandated in other states. We have the highest rate of taxation in the nation and an excess of rules and regulations. It is no secret that the results of these mandates is severe distress by many businesses. The restaurant industry is notorious for business failures especially for Waikiki. HB 1191 will have devastating economic ramifications for tourism, the backbone of our economy and the entire State. The hospitality industry needs your help. In reviewing the salaries of our minimum wage earners with tip income, the average hourly rate falls safely between the range of 25.00 to 35.00 per hour. Hawaii's tip credit is the lowest when compared to other states and HB 1191 would substantially increase expenses i.e. payroll tax liability (fica taxes on tips), workers compensation insurance and place all employers in an extremely vulnerable position. Please assist us in redressing an intolerable and inequitable situation. It is difficult to understand the governments continuance to mandate legislation in view of the universal outcry from experienced local operators who know the unique intricacies of the foodservice industry. Our goal should be to eliminate the dependency on the government's paternalistic regulations and governance. In fact, there is a growing disapproval within the business community with governments mandates that only promotes entitlement. It destroys the will of the people to work hard and to take care of themselves through planning, integrity, honesty, and doing what's right. Please consider the informed input of those who have the experience and expertise to assess the proposed minimum wage increase and the economic impact on the local businesses. It is urgent that HB 1191 is not supported to protect the general welfare of all businesses in Hawaii and to preserve and protect our unalienable rights. Thank You,

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when

contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Chester Kaneshiro
President
honolulu
Hawaii

From: Ron Simon <khwbvsqrxrjnbee@ujoin.co> Thursday, February 21, 2019 3:47 PM Sent: To:

**FINtestimony** 

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: chefronsimon@gmail.com <Ron Simon>

Message:

As a small business owner, we oppose HB 1191 HD 1. With more labor cost means more cost to our menu prices. This will turn into a snowball effect of negative impact for the business, consumers, and Hawaii economy. Please consider the whole impact before looking at one small sector to increase hourly wage. Aloha. Chef Ron Simon

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Ron Simon Member Honolulu

Hawaii



From: Jay R Bautista <ocryoaneoflydjy@ujoin.co> Sent: Thursday, February 21, 2019 3:47 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: jrb@tanakrestaurants.com <Jay R Bautista>

### Message:

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee, I am writing to you on behalf of Tanaka of Tokyo Restaurants Ltd. and we oppose the HB 1191 HD1 relating minimum wage. We are a local restaurant that has been serving tourists and locals for the past 40 years. We already face many challenges in the new year of 2019 with rise in cost of commodity goods. Passing the bill will make it nearly impossible for restaurants and sma II businesses in Hawaii to flourish in both profit and quality of service for our customers/visitors. Restaurants provide entry level job positions for workers who can be trained on site to gain the experience, skills and knowledge needed for their future careers. Passing the bill will force employers to eliminate these positions, cut hours, and raise prices to combat the wage increase. This will also force popular businesses to close and let go employees to battle the labor cost. Hawaii ranks one of the lowest in tip credit in the country and Businesses in Hawaii cannot survive with the increased costs mandated through this legislation. Thank you very much for taking the time to read our concerns regarding this bill. Mahalo, Jay-R

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Jay R Bautista

General Manager

Honolulu

Hawaii

From: Richard Port <noreply@jotform.com> Sent: Thursday, February 21, 2019 3:35 PM

To: FINtestimony

Subject: HB 1191HD1, Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Richard Port

Email: portr001@hawaii.rr.com Attending the hearing: Yes

Dear Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice Chair and members of the Finance Committee,

Thank you for this opportunity to testify on HB1191, HD1.

I appreciate the House of Representatives' effort to support increases in Hawaii's minimum wage. When we increase the minimum wage, we provide workers' ability to purchase sufficient food in Hawaii and pay their high rental income in Hawaii. The current \$10.10 minimum wage equals approximately \$21,000 a year. Individuals currently receiving this wage cannot afford the cost of housing and food in Hawaii, which should be the minimum expected for employees engaged in full time work. It should be noted that low wage workers spend most of their income in Hawaii.

Hawaii has the second lowest State unemployment rate in the United States at 2.5% versus the current National average of 3.9%. This essentially is regarded by economists as full employment.

Most of Hawaii employment is service oriented and cannot be moved to another State. There needs to be reasonable wage incentives to encourage people to work rather than to give up all hope in their own future. In fact, such wage incentives can even be a factor in reducing homelessness and the tremendous cost to government of homelessness.

I live in an assisted living facility where employees in their 30's, 40's and 50's are employed full time for \$11.25, \$11.50, and \$12.50 per hour. That level of compensation cannot provide a minimum standard of living for them and their families.

In a free and open Democratic Nation, like the United States, there will always be significant differences in income and achievement levels among citizens, but there will always be a need for Democratic Nations to provide justice and just wages for its full time working citizens.

Regarding employees whose employers provide health care coverage, my request is that the reduction that the employers are allowed to reduce their employees compensation be lower than the figure proposed in this Bill.

My request is a simple one. Whatever amounts you decide to increase the minimum wage, keep in mind that you will be giving hope to individuals whose compensation is slightly above the minimum wage because when the minimum wage increases, companies have to compete with higher compensation for their employees.

LATE

Respectfully submitted, Richard Port, Former Chair Democratic Party Of Hawaii

From: Sharain Naylor <sasheir@gmail.com> Sent: Thursday, February 21, 2019 3:16 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

We cannot afford the high cost of low wages any longer.

Sharain S Naylor, Ph.D.



From: Kainani Derrickson <kainanid@hawaii.edu> Sent: Thursday, February 21, 2019 3:18 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Mahalo, Kainani Derrickson



From:

Amanda Taber <amandataber27@yahoo.com>

Sent: Thursday, February 21, 2019 3:13 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Full-time workers in California, Illinois, Massachusetts, New Jersey, Seattle and more will all be earning more than \$15 per hour and \$31,000 per year by 2023. With our high cost of living our workers are worth more than that, and so we deserve at least the same wage protections they do. Please raise the minimum wage to a living wage.

Sent from my iPhone



From: Tyler Jones <tylercjones@gmail.com>
Sent: Thursday, February 21, 2019 3:10 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Workers are for sale here in Hawaii for a discount. It takes more than \$35,000 for a single adult to buy their basic necessities, yet Hawaii allows for businesses to pay only \$21,000 for a year's worth of work.

If Hawaii values their workers and wants to ensure that the burden of keeping them alive doesn't fall on the rest of society, it's imperative that we increase the minimum allowable wage to equal that which is necessary for a single person to afford their basic needs.





To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Michael Gagne

Email: mpcgagne@hawaiiantel.net

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

From: Kathy Shimata <noreply@jotform.com> Sent: Thursday, February 21, 2019 5:50 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Kathy Shimata

Email: kshimata@hawaiiantel.net

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

From: Madeline McKenna < madelinekmck@gmail.com>

Sent: Thursday, February 21, 2019 5:48 PM

To: FINtestimony

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Sincerely,

Madeline McKenna



From: Michael Tam <libtkufljgbeond@ujoin.co> Sent: Thursday, February 21, 2019 6:16 PM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: michael@martinandmacarthur.com < Michael Tam>

Message:

As the President and CEO for Martin & MacArthur, this bill will significantly increase our costs and diminish our competitiveness.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Michael Tam

Honolulu

Hawaii

From: Elaine Vizka <evizka@hawaii.edu>
Sent: Thursday, February 21, 2019 6:01 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Hello Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

All the best, Elaine Vizka





HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308 FRIDAY, FEBRUARY 22, 2018 AT 12:30 P.M.

To The Honorable Sylvia Luke, Chair; The Honorable Ty J.K. Cullen, Vice Chair; and Members of the Committee on Finance,

#### TESTIMONY IN OPPOSITION TO HB 1191 HD 1 RELATING TO MINIMUM WAGE

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce with approximately 650 members. I am writing share our opposition to HB 1191 HD1.

We all support a living wage and helping employees to earn a living wage. However, by most reports, a living wage in Hawaii would be \$31-\$32 per hour or more. The State has continuously tried to address this issue by increasing the minimum wage and yet, things have not changed. We need to stop doing things the same way and expecting different results. Instead, it is important to look at new ways to address the issue versus arbitrarily raising the minimum wage year after year, which is detrimental to local businesses. We suggest research and creating public, private and nonprofit partnerships to explore how we can bring down Hawaii's high cost of living and create needed affordable housing and rentals.

Further, the impacts of the previous minimum wage increase, which took businesses to \$10.10 per hour in January 2018, are not understood. Before proposing further increases, we urge the State to have an analysis on how minimum wage increases will impact businesses and how the effects will trickle down. In a study on the increased minimum wage in Seattle by the University of Washington, Evans School of Public Policy & Governance, in 2017 65% of employers raised their prices or added/increased fees to consumers and 29% of employers reduced employee hours or decreased employees to account for the added labor costs. However, many businesses are locked into annual or multi-year contracts and cannot pass this cost off, which equates to a loss on net profits, and businesses increasing their costs to account for the rising minimum wage only makes the cost of goods and, therefore, the cost of living higher. For more information on how a minimum wage increase will affect Maui businesses, please see the attachment.

We appreciate that this bill recognizes Hawaii employers pay higher healthcare costs as compared to businesses across the nation (which is beneficial to Hawaii employees) and that this bill proposes an offset in recognition of that. However, the proposed rate increase for those providing healthcare is still an extreme jump from the current \$10.10 and would cause hardships for businesses.

Mahalo for the opportunity to testify on this matter. We ask that this bill be deferred.

Sincerely,

Pamela Tumpap President

Pamela Jumpap

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.



"I currently have two full-time staff at \$20/hour who want \$25/hour. My other three staff are part-time and they are paid \$13-\$15 per hour. If I raise their pay, then I have to raise the higher paid staff and this is a new business for me and my revenues can't support that yet. Please provide exemptions for small businesses of fewer than 25 employees. Remember, at least 60% of our revenues go back into the local economy versus big businesses."

-Mary Albitz, Island Art Party

"I am writing on behalf of a small, outer island start-up company that has beaten the failure odds and is now in its fifth year in business. We are still standing, but we are still struggling to be profitable. We have grown our revenues and they have tripled since we started, however, in year five of being in business, we still have not been a profitable business. As the owner, I still substitute teach and work side jobs to cover my bills. There are additional costs of running a small business in a remote location that has many added barriers that mainland companies do not have. We have to pay the high cost of shipping products to an outer island and much of the supplies we need are not readily available. The cost is then passed onto the local customer and tourists who would like to order our product to be shipped to them. In the midst of our small business growing pains, we have hired and outsourced our HR to a HR company. We already pay 30% in HR fees and benefits on top of the salary and hourly wages being paid. Also, the food industry has a high turnover. We do give small raises as we can afford to. We try to meet with our staff once a quarter to check in, evaluate and give a small raise, if we can. We will not survive a minimum wage raise. To continue our business growth, we would need to look at co-packing options on the mainland, where the costs of goods and labor is lower or just close our business all together."

-Anonymous Maui Manufacturer

"I provide home medical equipment to people in their homes and this keeps them out of the hospital and out of nursing homes. It's the most cost effective way to provide help to people. Within that though are some market based differences. I have four masters: one is the federal government, one is the state government, one is the marketplace itself, and the final one is the internet. When you say you are just going to raise the cost to an employer and they can just pass it along, that doesn't work in my world. I have existing contracts that the federal government requires that I do things for a certain amount of money. The state totally supports those. Then if I tried to pass the costs through, I can only go so high and pass it through to private costs because the internet restricts what I can do. Finally, it's the marketplace itself. We are dealing with a 2% unemployment rate here on the island and it is really difficult to find anyone already. In other words, us employers are already paying as much as we can for people."

-Paul Gammie, Gammie Homecare



"As a small business that has benefited from the services of the Maui ohana since the inception of our business, we just want to share that even though we are now in a position to pay higher wages to our employees than the current minimum wage in Hawaii, and even \$15 per hour if we must, we never would have been able to start our business if the minimum wage was already at \$15 per hour in the year we started our business. As our business has developed over the years, our labor needs have shifted from low or no-skill labor to job positions that require more and more skills. The implications for us as a more mature business, is that the \$15 minimum wage will prevent bootstrapped startups from entering the market to compete with us, which is a good thing for us, but not necessarily good for our economy. We believe the legislature should consider exploring other measures such as rent control or rent regulation, rather than further hampering Hawaii's small businesses with \$15 minimum wage."

-Anonymous Maui Manufacturer

"Once upon a time, we were paying \$12 per hour, above the current minimum wage. We began paying \$15 per hour over 2 years ago and continue to start people at that level. However, if the minimum wage goes up to \$15 per hour, that will cause a significant increase in our company as all employees will expect to be equally bumped up and we are under landscape maintenance contracts (some for multiple years). Such an increase would not be able to be passed through and equate to a reduction in our already slim profit margins and be detrimental to the company."

-Brian Kashima, Island Landscape

"The minimum wage increase in Seattle has failed miserably, has cost a lot of jobs and frankly, we already have a kiosk in McDonalds in Lahaina and I would imagine that we will be seeing much, much more of that as higher minimum wages become the norm. The other aspect is the minimum wage was never intended to be a career path. It was intended to be a path to a career."

-Tim Means, Lahaina Divers

"I am all for people making more money. However, I don't like to be guided with a guideline on what I have to do. The reason being, it is not just a minimum wage that gets increased. It is the cost of doing business and the cost of labor also. We had a couple of instances where we were trying to hire a couple of new people and they weren't willing to work for the \$10.25 that we always start our people at and therefore, we chose not to hire anybody and just do with the employees we already have. We like to start our guys and gals at a certain wage level and then we train them and they move up the pay schedule very fast. So if they start at \$10.25, chances are if they catch on and learn the way we do things, they will be making \$15 -\$20 per hour within the first year. So it [minimum wage increase] does put a strain on us in what direction we will go and I hope we have some choices in that area."

-Debbie Finkiewicz, The Maui Closet Company



#### Minimum Wage Position Statements

#### A Minimum Wage Is A Starting Wage

Hawaii residents face a high cost of living which can lead some to recommend increasing the Minimum Wage. However, the Minimum Wage is a starting wage for unskilled labor. It is very different from and should not be confused with a living wage which is paid to skilled workers with knowledge and experience that improves performance and adds value to the organization.

The Maui Chamber of Commerce finds that a majority of its members pay employees above the minimum wage for their skilled workforce. We support internships and training programs that help our youth and workers increase their skills to increase their income to a living wage and beyond.

# Comparing Hawaii to Other States with Respect To A Minimum Wage Increase Dismisses Distinct Differences

Hawaii businesses face one of the highest costs of doing business in the nation. This includes higher labor costs, fuel and electric rates, health insurance and more. National models of \$15 per hour are being proposed that exceed the previous White House recommendation of \$10.10 per hour (with the Obama Administration) or the higher number being discussed of \$12/hour; however, Hawaii is now at \$10.10 per hour as of January, 2018. While this increase passed, it came with great controversy during the legislative session given national and global financial uncertainty and no economic analysis to predict the impact on businesses.

A Minimum Wage also creates what is known as a wage compression, meaning a compression between wages paid to unskilled labor and skilled labor that results in a wage inflation. Even employers who currently pay more than the minimum wage well understand that other employees will also expect a wage increase when new employees are automatically paid more, which raises wage costs across the board.

When considering Minimum Wage increases, the Maui Chamber of Commerce supports State analysis on the impacts to businesses, the economy and residents before passing a Minimum Wage increase as businesses will be hit with higher costs that do not equate to higher skill levels or improved productivity and those costs will be passed on to consumers. Studies show that rising consumer prices disproportionally hit those who can least afford to pay for it. Floating incomplete legislation comes at a tremendous cost to the taxpayers. Therefore, financial, economic and business studies should be conducted, understood and communicated to the public before any further Minimum Wage increases are enacted.



#### Small Businesses Don't Have The Same Economies of Scale

Our County and State are made up of many small businesses who cannot take advantage of economies of scale that larger companies can without increasing costs.

While many of our Chamber members pay more than the current minimum wage and are willing to consider reasonable Minimum Wage increases, the Maui Chamber was unified with Chambers of Commerce across the state that even the \$10.10 per hour minimum wage increase (which went into effect January, 2018) would create a hardship for many businesses, particularly small businesses.

Close to 90% of our members are small businesses with 25 or fewer employees. While the economy is picking up, many are still operating with fewer employees than before, less financial resources, more difficulty in borrowing needed capital, and are struggling to keep up with rising costs that are beyond their control, especially rising health care costs. They need an environment where they can stabilize their business, then grow and thrive.

Unless government can prove how raising the Minimum Wage to beyond \$10.10 per hour will allow them to grow their business and create jobs (instead of eliminating internships and lower level positions and passing on higher costs to consumers) then the Maui Chamber of Commerce opposes any further increase and encourages a small business exemption.

#### We Support Focus On A Living Wage

A Minimum Wage increase is not the answer to reducing poverty. Of the 1.8 million people earning the minimum wage, only 20.8% of them are the head of their household. The rest are students or young adults. Many of those are part of households well above the poverty line. Reports show that we are talking 4% of the population.

The minimum wage was never meant to be living wage. It is an entry level, training wage. Employers pay more for skilled labor, which incentivizes employees to gain additional skills. Many workers, particularly youths, need the experience of having a job, learning the discipline of holding a job, developing a strong work ethic, gaining people skills (courtesy, being helpful), etc. These skills are important. Studies show that youths that started to work early in their lives were much better suited for the workforce as adults. With less opportunities available to them, they will be at a disadvantage when seeking a career.

Many elderly employees are retired, receiving social security, have spouses who receive a pension, etc. and are working to receive medical coverage. With a higher minimum wage increase, many of them will be lose their jobs and medical coverage when companies must cut expenses to survive.

Instead of arbitrarily increasing the Minimum Wage, the Maui Chamber of Commerce supports further investment in education and programs to increase skill levels as capable employees have more and better opportunities to make a Living Wage.





#### **TESTIMONY IN SUPPORT OF HB 1191, HD 1**

TO: House Committee on Finance

FROM: Nikos Leverenz

Grants, Development, and Policy Manager

DATE: February 22, 2019 (12:30 PM)

Chair Luke, Vice-Chair Cullen, and Members of the Committee:

Hawai'i Health & Harm Reduction Center (HHHRC) strongly supports HB 1191, HD 1.

HHHRC provides social services and health care services to some of the most vulnerable and marginalized populations in our community. As such, we see the detrimental effects of poverty in our society every day. Unstable or insufficient income not only leads to housing insecurity (as evidenced by our significant houseless population), but also poorer health outcomes, stifled educational opportunity, and an overall lack of autonomy.

The subsistence wage in our state for 2016 was \$17 an hour based on data from the Hawai'i Department of Business, Economic Development & Tourism (DBEDT). This wage merely covers the cost of basic living necessities for a single adult. Adults with children needed at least \$30 per hour to meet their basic needs. Our current minimum wage is grossly insufficient and makes day-to-day life in Hawai'i a struggle for many working people.

When the minimum wage is kept below the subsistence level workers cannot purchase necessities, and people are left with less expendable income to spend in the local economy. After the National Industrial Recovery Act was passed in 1933, President Franklin D. Roosevelt pointed out that "no business which depends for existence on paying less than living wages to its workers has any right to continue in this country." New Deal measures helped to assure basic rights and dignity for workers and raising this state's minimum wage builds upon that vital, enduring progressive legacy.



This Legislature should be proactive in assuring a livable wage for Hawaii workers. A life of overwork for wages that do not meet basic needs and do not allow for savings is not desirable and increases the likelihood of housing instability. Affording this state's workers a baseline livable wage will not only bring dignity to Hawai'i's working people, but will increase their self-sufficiency and buying power in our economy.

Both the timeline and the wage table could be adjusted for the steady increases in the costs of living in our state. Recent minimum wage increases consistently fall behind price inflation apart from the Consumer Price Index and do not amount to significant increases in actual purchasing power. The DBEDT report noted that in 2016 a single person with one child would need at least \$30 per hour to meet their basic living needs in Hawai'i.

Thank you for the opportunity to provide testimony on this important measure.





#### February 21, 2019

To: The Honorable Sylvia Luke, Chair

The Honorable Ty J.K. Cullen, Vice Chair Members of the Committee on Finance

Date: Friday, February 22, 2019

Time: 12:30 am

Place: State Capitol, Senate Conference Room 308

415 South Beretania Street

From: Wayne Hikiji, President

Envisions Entertainment & Productions, Inc.

RE: H.B. 1191 Relating to Minimum Wage

#### **TESTIMONY IN OPPOSITION OF H.B. 1191**

My name is Wayne Hikiji and I am the president of *Envisions Entertainment & Productions, Inc.* ("*Envisions*"), an event production company based in Kahului, Maui. We have been in business for 24 years and have 20 full-time employees who have been us between 14-22 years. We also employ approximately 20-25 part-time seasonal workers and contract between 115-120 independent contractors annually.

We strenuously **oppose** HB 1191 because raising the minimum hourly wage to \$15 over such a short period of time, while well-intended, will have a lasting negative impact on countless small business like ours, forcing many of us to reduce employee hours, cut discretionary employee benefits, or even close our businesses.

Envisions has always paid its workers above the minimum wage to attract those with the aptitude, work ethic, and character traits we require. For Envisions and companies similarly situated, raising the minimum wage will result in wage compression. For example, those who have worked their way up from a starting hourly wage of \$12 to \$15 will resent the fact that a newly-hired, less experienced worker will earn the same wage they spent years to achieve. Unlike large corporations that can absorb a 47% increase (\$10.10 to \$15 an hour) over 6 years, we are not in a financial position to keep paying our seasoned workers more each year simply to compensate for a rising minimum wage.

And the notion that we can simply raise our prices each year to off-set this significant cost increase is neither tenable nor sustainable. Proponents of this Bill would have you believe that this added expense can be passed on to consumers by simply raising prices. The problem with this argument is that our services are non-essential. So our price increases can quickly reach a breaking point where our client will either scale back considerably, contract a competitor who doesn't have our overhead, or decide to do it themselves or worse yet, do without. In other words, it is demand-elastic, meaning if our prices keep going up, demand for our services will plummet.

Envisions Entertainment & Productions, Inc. FIN Hearing – February 22, 2019 Written Testimony in Opposition of HB1191 February 21, 2019 Page 2 of 3

More globally, the idealistic idea that every job should support an entire household is implausible and unrealistic. A minimum wage was never meant to accomplish this, nor can it. Rather a minimum wage should provide motivation to unskilled workers to develop a skill set that warrants a desirable livable wage of his/her own making. In the meantime, if that unskilled worker needs to work two or three jobs until he/she develops the skills to advance his station in life, I believe that is a sacrifice worth making.

And, let's not forget the fact that most minimum wage earners <u>as a family unit</u> aren't poor. Most of those affected either live with family or are a secondary earner where the average family income far surpasses the poverty level this Bill tries to address.

Given the foregoing, I humbly ask that HB 1191 be held.

Respectfully submitted,

ENVISIONS ENTERTAINMENT & PRODUCTIONS, INC.

Wayne Hikij Its President





#### TESTIMONY OF TINA YAMAKI PRESIDENT RETAIL MERCHANTS OF HAWAII February 22, 2019

Re: HB 1191 HD 1 RELATING TO MINIMUM WAGE

Good afternoon Chairperson Luke and members of the House Committee on Finance. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) is a statewide not-for-profit trade organization is committed to support the retail industry and business in general in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

The Retail Merchants of Hawaii strongly opposes HB 1191 HD 1 Relating to Minimum Wage. This measure would increase minimum wage rates annually from January 1, 2020 through January 1, 2024. Provides lower minimum wage rates for employees who receive employer-sponsored health benefits under the Hawaii Prepaid Health Care Act.

While we appreciate the lower rates for those who provide health benefits, the most harmful consequence of this minimum wage increase will be on our smaller retailers which face constant and intense competition, not only from other retailers, but also from internet sellers.

The impact of a minimum wage increase is exponential, causing a compression of wages between newly hired/inexperienced workers and the veteran/experienced employees. Mandating scheduled adjustments at the lowest tier of the employment scale causes a tremendous and prohibitive increase in overall employment costs. Furthermore, an increase in payroll costs also leads to increases in benefit costs that are based on wages, including unemployment insurance, Social Security and Medicare, workers' compensation premiums, and vacation and holiday pay. We must also factor in that Hawaii mandates healthcare coverage for workers. This is also another benefit that is a cost to employers that we are having to make adjustments for by restructuring our business plans and budget to accommodate the rising cost of healthcare and other mandated expenses.

Over the past few years, the retail industry has seen reasonable growth, with existing companies opening new locations and new retailers entering the marketplace. New retail jobs are being created, with compensation levels based on the current economic conditions, reemployment regulations, and the business philosophy of the employer. Increasing the minimum wage is counterproductive to any further growth of our industry and Hawaii.

We respectfully ask that you hold this measure. Mahalo again for this opportunity to testify.

From: Rylen Iwasaki <ryleniwasaki@hotmail.com> Sent: Thursday, February 21, 2019 7:31 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

From: Hayato Shigihara <shigiharahayato1209@gmail.com>

Sent: Thursday, February 21, 2019 7:20 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.





From: Christian Ballesteros <noreply@jotform.com>

Sent: Thursday, February 21, 2019 6:57 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Christian Ballesteros Email: cballes@hawaii.edu Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

First off, I would like to thank everyone for giving me an opportunity to share my story in support of an increased minimum wage. My name is Christian Ballesteros. I am an undergrad student at UH Manoa majoring in Physics. Hopefully, in the span of two or three years, I will be in graduate school achieving a Master's degree more specialized in the research of Astronomy. Being the descendant of two first-generation immigrants from the Philippines, I am incredibly grateful to be in the position I am now as well as have the opportunity to further pursue such a prestigious career in science. However, It pains me to face the reality that I am a statistic outlier of Filipinos. According to a 2010 study published by own university, almost 40% of the total population of Hawaii is comprised of individuals of Filipino heritage, overall, the second largest ethnicity in that census. Out of all of the recorded ethnicities in that report, the amount of both Filipino undergrad and grad students are pathetically low in terms of the amount of Filipinos in Hawaii. Only 10.6% of overall enrollments on campus are Filipinos while only 4.2% of that percentage pursue higher education past bachelors. There are many arguments that we talk about, but no doubt, one of the main reason is the cost of tuition and most especially the cost of living.

By the time I was 14, my mother finally started working as a nurse assistant after taking care of three children years for almost two decades. My father during that time was a janitor making close to minimum wage. Minimum wage at that time was \$7.25 and is nowhere near the amount one needs to support a family of three kids especially in Hawaii. Truthfully, at that time, I had no expectations that my parents would even afford college given our economic situation. Although the economic standings of my family are exponentially better than they were many years before, I sometimes have to stop and sympathize about other students, primarily of first-generation immigrants, like me, who did not have the factors to improve from absolute nothing. Most Filipinos after high school go straight to the workforce. For many, college is simply not an option. Whether that would be the ludicrously high tuition fees of university or the immediate presence to support one's family, the current minimum wage is simply insufficient. I imagine how much help my parents would have if the minimum wage was turned into a living wage earlier in my life. I got my first job at around 18 years old and made the minimum wage of \$9.25 at that time. It was jarring at that time, really. That a person like right out of high school had a higher hourly pay than a majority of their parent's adult life.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

From: Emily Vallejo <emilyj.vallejo@gmail.com> Sent: Thursday, February 21, 2019 7:58 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Voters in Republican dominated Arkansas implemented a minimum wage increase of more than \$0.75 per year. I ask that in this state dominated by Democrats, that we get a Democratic increase of at least \$1 per hour until we reach a living wage, compared to the \$0.50 per year increase that this bill offers.

Thank you for your time.

From: Harvy King <harvy@hawaii.edu>
Sent: Thursday, February 21, 2019 8:10 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

From: Annette Roper <quantumhealth56@gmail.com>

Sent: Thursday, February 21, 2019 8:37 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii. It's terrible to live in paradise and not be able to enjoy it because you have to work 3 jobs just to afford food and housing. Mahalo in advance.

Annette Roper USN Veteran





#### **HIPHI Board**

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Chair Hawaii Pacific Health

Mark Levin, JD Secretary William S. Richardson School of Law

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Catherine Taschner, JD McCorriston Miller Mukai MacKinnon LLP

JoAnn Tsark, MPH John A. Burns School of Medicine, Native Hawaiian Research Office

En Young, MBA Sansei, Lanai Date: February 21, 2019

To: Representative Sylvia Luke, Chair Representative Ty Cullen, Vice Chair Members of the Finance Committee

Re: Support for HB1191 HD1, Relating to Minimum Wage Hrg: February 22, 2019 at 12:30 pm at Conference Room 308

The Hawai'i Public Health Institute<sup>i</sup> is in **Support of HB 1191** which increases the minimum wage annually from January 1, 2020 to January 1, 2024.

#### Wages impact health and create opportunities for better health.

Increasing the minimum wage can affect health by improving income and food security, decreasing stress, improving nutrition, and more. Communities of residents with higher incomes are likely to have better recreational amenities, housing, food access, and schools, and tend to be safer – all of which impact health. Income is also associated with other factors that create the opportunity to be healthy, such as employment opportunities, reduced environmental contamination, and greater transportation options.

Health improves with increasing income, and the impacts of a rise in income are greatest for those at the lowest end of the wage scale. Research shows that those who move out of the lowest income level to the next receive the greatest percentage increase in life expectancy and health status. This means that a family living on minimum wage realizes greater health benefits from an increase in salary than a middle-class family receiving the same raise.

#### Wages should be distributed equally.

HB1191 would provide a lower minimum wage for employees who receive employer-sponsored health benefits under the Prepaid Act. HIPHI respectfully requests that the committee restrict the health care credit to only small businesses with 25 or fewer employees and that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Even if a low-income family has health insurance, health care costs such as insulin and cholesterol medicines may not be affordable if they have to pay copays and deductibles. Minimum wage workers are critical to our economy but are falling further and further behind in their ability to make ends meet. Hawai'i workers need a raise to build economic opportunity and a better future for our families.

Thank you for the opportunity to provide testimony.

Mahalo,

Trish La Chica, MPA

Policy and Advocacy Director

<sup>i</sup> Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

From: Sylvia Ching <noreply@jotform.com>
Sent: Friday, February 22, 2019 8:22 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Sylvia Ching

Email: sching35@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Everyone should have a living wage. If not people will end up receiving welfare benefits and overburden taxpayers

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

1



From: James Sartoris <koanet7@gmail.com> Sent: Friday, February 22, 2019 8:14 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPad



Sent: Friday, February 22, 2019 8:14 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Kathryn Saunders

Email: katie.saunders808@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Growing up, I was always told to ask for help regardless of how hard it is to ask for sometimes. I started working when I was 15 when minimum wage was at a whopping \$7 an hour just so I did not need to ask for help/money for gas from my parents because I knew money was tight sometimes... Those paychecks gave a little cushion to make sure I was taken care of, the small \$400 paychecks didn't need to cover the bills or anything like that. I'm 20 now, I work a job based off of tips and a smaller hourly. I'm going to school full-time and working as much as school will allow, I'm grown up now and a \$400 paycheck barely covers utilities. I cannot even imagine being a parent and having to worry about someone outside of myself. It's assumed that most of the people working minimum wage jobs are still in their teens, who rely on a parent to help support them so a pay increase is not needed. I'm living proof that, that's not reality. The average age for minimum wage jobs today range from 20-35 years old. These aren't just people who did not go to college, these are people taking any job they can get because the current job market is so difficult that even people with college degrees cannot find work. These are well educated people who are working jobs they are overqualified for just to make ends meet. Raising the wage to \$17/hr will not make life less expensive, but it will make life easier to maintain, not just for those who are working but the ones at home relying on them to bring home a paycheck. This bill is our way to ask for help, not because we want to but because in today's job market, it has become necessary.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.



From: Ted Jung <ymugfkwtbeqcfxb@ujoin.co> Sent: Friday, February 22, 2019 5:59 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: ted@simplemediahawaii.com <Ted Jung>

Message:

I too strongly oppose HB1191 HD1unless we will receive a tax break or some other sort of federal or state compensation to help offset the increase we business owners will take a hit on. Increased wages is something that will put some small businesses out of business.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Ted Jung

Business owner

Honolulu

Hawaii



From: Noelani Goodyear-Kaopua <noreply@jotform.com>

Sent: Friday, February 22, 2019 5:36 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Noelani Goodyear-Kaopua

Email: noegoodyearkaopua@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.



From: Soren Ruppelius < soren.ruppelius@hawaii.edu>

Sent: Friday, February 22, 2019 5:33 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

From: Marcia Linville <noreply@jotform.com>
Sent: Friday, February 22, 2019 2:54 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Marcia Linville

Email: linvilleedcac253@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024. Latest studies show that half the millennial between 25 and 30 are unmarried. They also feel they can't afford children.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for

those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.



From: Ila Ferris < ferrisila@gmail.com>
Sent: Friday, February 22, 2019 12:52 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

The Chamber of Commerce is the main opposition to a living wage, but even Thomas Donohue, the U.S. Chamber of Commerce President and CEO, recognizes the need for wage increases in states like ours.

In regards to minimum wage increases, at a press conference in January he said "In times past, we always would say, 'Well, wait a minute,' look, these are different times, and we're going to listen. We're not going out and opposing, but some states have got legitimate concerns here."

With the U.S. Chamber of Commerce recognizing that minimum wages should reflect the needs of each state, I ask that our legislators push our minimum wage up to reflect our highest in the nation cost of living.

Best.

Ila Ferris



From: Joseph Kohn MD <noreply@jotform.com>
Sent: Friday, February 22, 2019 12:36 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Joseph Kohn MD

Email: unsubscribe@WeAreOne.cc

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.



From: Joseph Kohn MD <noreply@jotform.com>
Sent: Friday, February 22, 2019 12:29 AM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Joseph Kohn MD

Email: unsubscribe@weareone.cc

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

LATE

From: Ekua Impraim <ekimpraim@yahoo.com>
Sent: Thursday, February 21, 2019 11:16 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from Yahoo Mail on Android

From: Nanea Lo <naneaclo@hawaii.edu>
Sent: Nanea Lo <naneaclo@hawaii.edu>
Thursday, February 21, 2019 10:56 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

--

Nanea Lo

GRA - Hui 'Āina Pilipili

School of Social Sciences - UH Manoa

Urban and Regional Planning MA - UH Manoa - SP 2020

Phone: (808)454-3504

Email: naneaclo@hawaii.edu

https://www.linkedin.com/in/naneaclo

'O ke kino ka hale e noho ai ka 'uhana o ke kānaka

E 'imi mau i ke ola kino maika'i E mālamamau i ka ikaika o ke kino

E 'ai i ka mea 'ai maika'i

E 'imi mau i ka na'auao - 'ōlelo no'eau

1



LATE

From: Allyson Villanueva <holla@allyvi.com>
Sent: Thursday, February 21, 2019 10:35 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Ally Vi

From: Jenn Lazariuk < jenn.lazariuk@gmail.com > Sent: Thursday, February 21, 2019 10:33 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.





From: Patricia Wistinghausen <noreply@jotform.com>

Sent: Thursday, February 21, 2019 10:27 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Patricia Wistinghausen Email: pwistinghausen@gmail.com

Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.



From: Justin Wistinghausen <noreply@jotform.com>

Sent: Thursday, February 21, 2019 10:26 PM

To: FINtestimony

Subject: Support with amendments of HB 1191 HD1 - Relating to Minimum Wage

To: House Committee on Finance

Hearing time: Friday, February 22, 2019, 12:30 PM

Hearing location: Conference room 308

Subject: Support with amendments of HB 1191 HD1

From: Justin Wistinghausen Email: justinmw316@gmail.com Attending the hearing: No

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year.

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

From: Ara Feducia <sevensectorseven@gmail.com>

Sent: Thursday, February 21, 2019 9:53 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

The Chamber of Commerce is the main opposition to a living wage, but even Thomas Donohue, the U.S. Chamber of Commerce President and CEO, recognizes the need for wage increases in states like ours.

In regards to minimum wage increases, at a press conference in January he said "In times past, we always would say, 'Well, wait a minute,' look, these are different times, and we're going to listen. We're not going out and opposing, but some states have got legitimate concerns here."

With the U.S. Chamber of Commerce recognizing that minimum wages should reflect the needs of each state, I ask that our legislators push our minimum wage up to reflect our highest in the nation cost of living.

Sent from my iPhone



From: Janice <janicestaab@gmail.com>
Sent: Friday, February 22, 2019 8:56 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPhone



# HB-1191-HD-1

Submitted on: 2/21/2019 10:54:57 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

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

#### Comments:



Aloha Chair Luke, Vice Chair Cullen and members.

The Coalition is in strong support of this measure as stated in previous testimony. We would like to emphasize two things. First low minimum wage affects women the most as we are still being paid less than men for the same job. Second the so-called tip credit (employer extortion in our opinion) degrades the income of women the most as we are over-represented in lower paying food service industry jobs.

Mahalo,

Ann S Freed, Co-Chair, Hawaii Women's Coalition



From: Natalia Perry <saursuxnmiqhhpz@ujoin.co>

Sent: Friday, February 22, 2019 8:54 AM

To: FINtestimony

Subject: Support HB1191, with amendments - Minimum Wage Increase

From: nzeldner@yahoo.com <Natalia Perry>

Message:

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Mahalo for hearing this important bill. I support HB 1191 HD1, with the amendments described below.

This bill would raise the minimum wage from the current \$10.10 an hour -- or \$21,000 per year for full-time work -- in 5 annual steps, topping out at \$15 in 2024. But workers who get health insurance from their employer would get only \$12.50 in 2024 -- a raise of less than 50 cents per hour per year

That comes out to \$26,000 per year for full-time work. Everyone who lives in Hawaii and faces our high cost of living on a daily basis knows that's not enough to make ends meet now, let alone in 2024.

That's why I respectfully request that the committee increase the steps up in the minimum wage to \$17 per hour, with \$14 per hour for those who get health insurance from their employers.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration of my testimony.

Natalia Perry

Lawai

Hawaii



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org



February 22, 2019

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE

**TESTIMONY ON HB 1191, HD1**RELATING TO MINIMUM WAGE

Room 308 12:30 PM

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

Hawaii Farm Bureau **opposes HB 1191, HD1,** which increases minimum wage rates annually from January 1, 2020 and provides lower minimum wage rates for employees who receive employer-sponsored health benefits.

#### Hawaii Farm Bureau Policy states:

"State tax and monetary policies should be designed to encourage private initiative to help stabilize farm economics in the State of Hawaii, to promote employment and economic growth and to distribute the tax burden equitably. Further such policy should be used by the state, when appropriate, to encourage agricultural growth and expansion."

Hawaii's minimum wage is above Federal standards. In addition, the actual compensation to the worker includes many benefits, easily multiplying the actual monetary wage.

Rural areas, where many of our farms and ranches are located, face significant challenges due to their distance from population centers. Distance to markets, input transportation costs, access to labor are the many issues facing our members. Small agriculture businesses are especially vulnerable to any increase in costs, especially those who operate on low margins. Increasing the minimum wage may force many small farmers to offset higher costs through fewer work hours, less pay raises, and decreased discretionary benefits, or planting less labor-intensive crops.

Unlike other industries, farms and ranches are price takers as opposed to price setters, which means they are largely dependent on trade markets when it comes to return on product. With the difficulty in raising prices, Hawaii's farmers will have to look to cut costs elsewhere. This measure could drive up prices of locally produced food and products utilizing locally grown agricultural products.

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

# HB-1191-HD-1

Submitted on: 2/22/2019 12:38:11 AM Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc www.WeAreOne.cc - WAO	Support	No

#### Comments:

<u>HB 1191 HD1</u> would raise the wage to \$15 by 2024 but allow employers to pay a lower wage if they provide their employees with health insurance. **We'd like to suggest 3** amendments to improve this bill:

- Raise the wage levels to \$17 per hour and \$14 for those who get health insurance from their employer
- Restrict the health care credit to only small businesses with 25 or fewer employees
- Phase out the health care credit over 5 years

<u>HB-1191-HD-1</u> Submitted on: 2/22/2019 5:26:51 AM

Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Julie Tulang	Hilo Medical Center Foundation	Support	No

Comments:



# The Hawaii Business League

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

February 22, 2019

LATE

Testimony To: House Committee on Finance

Representative Sylvia Luke, Chair

Presented By: Tim Lyons

President

Subject: H.B. 1191, HD 1 - RELATING TO MINIMUM WAGE.

Chair Luke and Members of the Committee:

I am Tim Lyons, President of the Hawaii Business League, a small business organization. We oppose this bill.

For some reason it seems difficult to get across the concept that when there is only so much of the pie to cut into wages, pension, health benefits, annuity benefits, sick leave, holiday pay, etc. that by dictating how much the employer will pay in one area, automatically means an decrease in other areas.

We understand the problem of some individuals feeling that they are not making enough money and, in a lot of cases, employers that are forced to pay minimum wage also feel they do not make enough money. The problem is exacerbated since the employee only sees their net pay, after all the taxes have been deducted. What the employer sees however is the gross cost which includes workers' compensation premiums, temporary disability insurance premiums and unemployment insurance taxes, all of which are based on how much the employee makes. As an example, on a

\$1.00 paycheck the employer sees \$1.45(e) in costs; the employee perhaps only gets a \$0.67(e) pay check. Any increase in wages automatically calls for a corresponding increase in fringe benefits costs however because of the tax rates the employee only sees a very small increase in their net pay check.

We also find it very difficult to compare our employee's pay rates with employees from other states. Employers in other state don't have the costs of the Hawaii Pre Paid Health Care Act to deal with, a cost that can add another \$500 to \$1500 cost factor to each employee, per month. Most also do not have temporary disability insurance costs for off the job injuries to deal with. Factor those costs alone in and our full time employees are getting around another \$2.00 to \$3.00 plus per hour on top of the minimum wage.

There is no doubt that those supporting this bill will feel like they should make more money and we do not disagree with that. However, given today's realities for most small businesses there is no extra money for companies to pay more wages and what you will do is cause the demise of individual positions so that existing employees can be paid a higher rate.

It has already been reported that there are some allegations that because of the mandatory health insurance law and recent minimum wage increases, some employers have converted their full time employees to part-time employees because of the cost of health insurance. This is not a cruelty act on the part of the employer but it is life in the real world. If you can only afford to pay "X" amount of dollars however, they are eaten up through wages or through fringe benefits then, it automatically means action one of two ways: 1) the price of the goods offered goes up causing the rest of the consumers that purchase goods and services from the business to pay more or, 2) the employer cuts back on the number of people he has to pay all of these mandates to. Either way, we believe the people of this State lose.

We also find it quizzical that part of the reason, we are told, to increase the minimum wage is that the wage earners will immediately infuse their dollars into the economy.

That may be true but even the Department of Labor noted in their prior testimony on this subject that only 1.7% of the workforce were earning minimum wage. An infusion of that nature won't even make the meter move.

While we appreciate the effort and the thought of a fifty cent (\$.50) credit per hour to offset the minimum wage expense, the reality is that for a full time worker this \$40.00 monthly reduction in minimum wage has no real correlation to the expense of providing an employee with a prepaid group health care plan.

Additionally, we do not agree with the minimum wage being set by use of the CPI unless we can find a way to set the small business guaranteed income also using the CPI. Wage should be paid based on merit, not on an index.

Thank you for this opportunity to testify.



### HB-1191-HD-1

Submitted on: 2/22/2019 12:45:40 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kim Coco Iwamoto	Individual	Support	No

#### Comments:

Testimony in Support of HB1191 HD! with amendments

Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

I urge this committee to increase the steps up in the minimum wage to \$22 per hour by 2025 and \$20 an hour if the employer provides health insurance.

Since big box retailers can afford the higher wage across the board, I also respectfully request that the committee restrict the health care credit to only small businesses with 25 or fewer employees.

To avoid a permanent two-tiered wage, I also request that the health care credit be phased out over 5 years in order to eventually have all of our minimum wage workers earning the same wage.

Please pass HB 1191 HD1 with the above amendments. Thank you for your consideration.

Kim Coco Iwamoto

From: Sheuli Molla <sheuli.molla@gmail.com>
Sent: Friday, February 22, 2019 9:45 AM

**To:** FINtestimony

**Cc:** info@livingwagehawaii.com

**Subject:** Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Despite the nation's highest costs of living, there are 14 states that have minimum wages heading above ours in the next few years. If we are serious about improving the affordability of this state for our workers, it's imperative we have wages commensurate with our cost of living.

Please increase the minimum wage to at least \$17 per hour so that we have a wage that allows all workers to afford their basic needs.

Sheuli Molla

# HB-1191-HD-1

Submitted on: 2/22/2019 9:55:59 AM
Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing	
Clinton O'Neill	Fish Honolulu	Oppose	No	

#### Comments:

FISH Honolulu opposes HB 1191 HD 1 that will increase our state's minimum wage starting at \$ 11 per hour on January 1, 2020 with increments going to \$15 per hour in January 1, 2024.

The increase will force us to reduce employee hours and will have a negative economic impact on our business that price increase to our consumers will not cover.

Mahalo for your time.

Clinton T. O'Neill

From: Lauren Yumol <lyumol@gmail.com>
Sent: Friday, February 22, 2019 10:27 AM

**To:** FINtestimony

**Cc:** info@livingwagehawaii.com

**Subject:** Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

Despite the nation's highest costs of living, there are 14 states that have minimum wages heading above ours in the next few years. If we are serious about improving the affordability of this state for our workers, it's imperative we have wages commensurate with our cost of living.

Please increase the minimum wage to at least \$17 per hour so that we have a wage that allows all workers to afford their basic needs.

Mahalo, Lauren Yumol

From: James Morel <james.morel@gmail.com>
Sent: Friday, February 22, 2019 10:27 AM

**To:** FINtestimony

**Cc:** info@livingwagehawaii.com

**Subject:** Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee, \$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs. All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

From: Ida Peric <peric.ida@gmail.com>
Sent: Friday, February 22, 2019 10:29 AM

**To:** FINtestimony

**Cc:** info@livingwagehawaii.com

**Subject:** Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

The current proposed minimum wage hike for HB1191 is too low. Research shows a wage of at least \$17/hr is needed to meet Hawaii's standard of living. I urge you to consider amending HB1191 to at least a wage of \$15/hr, if not \$17/hr, to align with the many states (most with lower costs of living than HI) that have already raised the minimum wage.

Sincerely, Ida Peric

**From:** ssvaughs@gmail.com

**Sent:** Friday, February 22, 2019 10:33 AM

**To:** FINtestimony

**Cc:** info@livingwagehawaii.com

**Subject:** Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPhone

From: Ross V <rossvilliger@gmail.com> Sent: Friday, February 22, 2019 10:43 AM

To: FINtestimony

Subject: Amend HB1191 to a living wage



#### Dear Finance Committee,

I am excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Thank you for your time.

Ross Villiger

LATE

From: Miki K. Tomita <miki.k.tomita@gmail.com>

Sent: Friday, February 22, 2019 11:00 AM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

naʻu, Miki Tomita



<u>HB-1191-HD-1</u> Submitted on: 2/22/2019 11:18:56 AM Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Justin Mizufuka	Diamond Dining International	Oppose	No

Comments:

From: Antya Miller <tpghtxwtzuxggtt@ujoin.co> Sent: Friday, February 22, 2019 11:23 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

LATE

From: antyamiller@gmail.com <Antya Miller>

Message:

Additionally, entry level jobs such as fast food restaurants will replace people with automated systems, thereby eliminating valuable jobs for teens & low-skilled workers.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Antya Miller

retired business owner

Haleiwa

Hawaii

# HB-1191-HD-1

Submitted on: 2/22/2019 11:22:31 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sidney Higa	Hawaii Restaurant Association	Oppose	No

Comments:

Sidney Higa

92-739 Makakilo Dr. #19

Kapolei, HI 96707



As a Member of the Hawaii Restaurant Association and several other organizations we oppose HB 1191 HD 1 that will increase our state's minimum wage starting at \$ 11 per hour on January 1, 2020 with increments going to \$15 per hour in January 1, 2024.

A very recent study done in New York City and news articles have indicated that where they have raised the minimum wage to \$ 15.00 per hour, more than three quarters of the restaurant in the New York City have reduced employee hours since the new wage went into effect and other businesses have also cut hours or have laid off employees. In a survey by the NYC Hospitality Alliance, 76.5 percent of full-service restaurants said they plan to reduce employee hours and 53 percent said they plan to eliminate jobs this year inresponse to the mandated wage increase. We can expect the same here in Hawaii.

Increasing business coast and Compounding with our high rents and also high mandated costs here such as pre-paid health care, many businesses will struggle to survive or go out of business since not all cost increases can be passed to the consumer in the form of price increases."

Sincerely,

Sidney Higa



# HB-1191-HD-1

Submitted on: 2/22/2019 11:13:35 AM Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Hidevuki Sakurai	Shokudo Japanese LLC	Oppose	No

#### Comments:

We strongly oppose this minimum wage bill. Minimum Wage has been increased last several years and businesses are already suffering to manage all of the expenditures including Labor cost, especially in the current market saturation. Revenue decreased and Costs are increasing.

Moreover, Minimum wage employees are typically tipped-workers who are making more than \$30-35 per hour including tips. It is way more than the salary for our entry-level management.

Thank you for your time and consideration.

Aloha,

Hide Sakurai

President & CEO

From: Jason Higa <tmxiazorsurlabh@ujoin.co> Sent: Friday, February 22, 2019 11:35 AM

To: FINtestimony

Subject: Submit testimony on HB 1191 HD1, Relating to the Minimum Wage

From: jhiga@fchenterprises.com <Jason Higa>

#### Message:



Continued increases to minimum wage leads to Higher Prices = Less Customers = Less Employment. Hawaii businesses have already increased wages from 2015 to 2018 as the minimum wage increased from \$7.25 to \$10.00. Our wages remain above the minimum wage requirement, but the resulting higher menu prices (as a result of the higher labor costs) has resulted in less customers. Many of our senior customers have fixed incomes and the price increases are impacting. Senior customers also do not benefit from higher wages. Local businesses struggle to compete against National Brands, which have immense advantages over local businesses due to "scale," e.g. Costco vs Star Market. You already see the demise of many local businesses. Outrigger Hotels was "bought out" by a much larger hotel operator seeking to increase their "scale." Over time, minimum wage increases will mainly impact local businesses (both large and small). National brands will survive due to their "scale." Think about the many local businesses, which are no longer with us and if you cannot remember them, you can find some of them here: http://tastyislandhawaii.com/2013/03/23/oahu-eateries-memorialized/ Think about the few local businesses which remain, e.g. ABC Stores; KTA; City Mill; and our "mom and pop" businesses. They are part of our fabric in Hawaii and are worth preserving.

Aloha Chair Luke, Vice Chair Cullen and members of the Labor Committee,

I respectfully oppose HB 1191 HD1 and am very concerned with the current push to increase the minimum wage and the unintended consequences this will have on our business and other businesses like ours in Hawaii. We are proud of both our business and our employees. We recognize that our employees are a big part of what makes our business a success and do everything we can to retain them through both wages and benefits. With that said, we hope that when contemplating passing legislation raising the minimum wage, that you please consider the consequences it will have on businesses of all sizes.

If the minimum wage is increased, businesses will have to alter operations to stay afloat. It is a misconception that all increases in business costs can be

passed on to the customer. That is simply not true. Businesses cannot afford the increased costs mandated through this legislation.

Thank you for your time and consideration of my concerns.

Jason Higa

Chief Executive Officer

Honolulu

Hawaii

#### HB-1191-HD-1

Submitted on: 2/22/2019 12:16:34 PM

Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Michael Miller	Tiki's Grill & Bar	Oppose	Yes

#### Comments:

We, at Tiki's Grill & Bar, love Hawaii and support our community, and ask you to vote no HB 1191

We do offer paid time off as a competitive edge. That can be used for any reason including sick leave.

Our employees also enjoy discounts, company events and company-sponsored activities outside of

work. These are benefits we choose to provide to retain our good employees and remain competitive.

Competitive benefits ensure that our employees are proud to continue to provide excellent service at a

popular destination location in Waikiki for both locals and visitors.

With Hawaii's low unemployment rate, companies that can afford to offer significant benefits will provide

them to be competitive and get the best employees. Employees should have an incentive to grow and

do better, to either move up or move to another company if their current employer is unable to afford or

unwilling to provide raises or better benefits packages.

Realistically, the question of who is going to pay for it needs to be dealt with. All solutions result in higher

costs of living for our community, as all costs are borne by the taxpayer or passed through to the

consumers/taxpayers, who are Hawaii's workers and families.

In addition, there is a severe worker shortage in Hawaii. Companies already have a hard time filling open

positions. Where will the NEW employees who will cover the shifts of those on family leave going to come

from? How will businesses afford to pay for two employees to do the job of one, with benefits for both?

Why is company's that have 50 or more being pushed pay more tax and provide more jobs being

asked to shoulder this burden?

Policymakers should be focusing in on removing obstacles to business growth, job creation, and economic

stability to benefit our workers and their families, not adding additional costs that

employers and employees cannot afford.
Please vote no.
Mahalo,
Michael Miller / Director of Operations ---- michaelm@tikisgrill.com

<u>HB-1191-HD-1</u> Submitted on: 2/22/2019 12:15:53 PM Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Michael Nishi	Diamond Dining International Corporation	Oppose	No

Comments:

From: Nick Evergates <nick683.ne@gmail.com> Sent: Friday, February 22, 2019 12:22 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

I know exactly how much it costs to live in Hawaii because I lived on Oahu for three years. I had a State job that paid me \$20/hr and it was still not easy to make it on that wage, so \$17/hr should be the floor! 12.50 is just not enough!

### HB-1191-HD-1

Submitted on: 2/22/2019 12:58:20 PM Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Byron R Graper	Individual	Oppose	No

#### Comments:

State and Federal governments have identified employees that customarily and regularly receive tips and written into law that they must declare those tips (wages) and pay income taxes on them.

Currently the Hawaii minimum wage is \$10.10 per hour and if an employee receives at lease \$7.00 in tips then the employer may take a tip credit of 75-cents per hour (paying a minimum wage of \$9.35 per hour, in which case, the employee is earning at least \$16.35 per hour. Is the goal of this legislation to increase the wages of the employees who are making at least \$16.25 per hour?

To compensate for the increased labor costs, restaurants will raise menu prices, find more ways to reduce employee hours and hope customer demand doesn't fall. For some, they will go out of business. For the others they will have successfully passed the cost on to the consumer. But wait a minute, the minimum tipped employee currently earning at least \$16.25 per hour gets an additional benefit. The tips they will receive will also go up because they will also get a 20% raise (tips) off those increased menu prices.

Restaurant credit card receipts demonstrate average tips are around 17.5% of the bill. The reason they are not closer to the 20% standard is some customers believe there is a benefit to the server if they leave a cash tip. Of course, there is a benefit, the server doesn't have to declare the cash tips and pay State and Federal taxes on them.

The 75-cent tip credit should increase by whatever the minimum wage increase is because employers menu price increases are going to automatically provide tipped wage increases for the employee. By doing it this way, we are not legislating an unnecessary high consumer dining out price and unnecessarily increasing the cost of living in Hawaii.

From: Kauahi Perez <br/>
Sent: Kauahi Perez <br/>
Friday, February 22, 2019 1:10 PM

To: FINtestimony

Subject: Amend HB1191 to a living wage



Aloha Finance Committee Members,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Mahalo nui loa for your time, Kauahi Perez

Kauahi Perez

PhD Candidate - Tropical Plant & Soil Sciences Department Graduate Assistant - Office of Academic & Student Affairs College of Tropical Agriculture and Human Resources University of Hawaii at Manoa I hear and I forget, I see and I remember, I DO and I Understand.

From: Rachel Young < rachelmarieyoung 808@gmail.com >

Sent: Friday, February 22, 2019 1:20 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPhone

<u>HB-1191-HD-1</u> Submitted on: 2/22/2019 1:50:37 PM Testimony for FIN on 2/22/2019 12:30:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Kalawai'a Goo	Individual	Support	No

Comments:

From: James Degen < jimmerfmbp4@gmail.com>

Sent: Friday, February 22, 2019 2:03 PM

To: FINtestimony

Cc: info@livingwagehawaii.com

Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in it's current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

James Degen



<u>HB-1191-HD-1</u> Submitted on: 2/22/2019 2:41:11 PM Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments: