

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 28, 2020

TO: The Honorable Representative Aaron Ling Johanson, Chair
House Committee on Labor and Public Employment

The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2541 – RELATING TO HELPING WORKING FAMILIES**

Hearing: January 30, 2020, 9:00 a.m.
Conference Room 309, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of the bill, though defers to the Departments of Taxation and Budget & Finance, as to implementation and fiscal implications.

PURPOSE: The purpose of the bill makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Earned income tax credits benefit low to moderate income working families with children. Current DHS administrative rules disregard federal earned income tax credits for financial assistance programs. To implement a state refundable earned income tax credit program, similarly, DHS will need to amend its administrative rules to disregard state earned income tax credits so that families will experience the maximum positive increase to

their families' income. Improving family incomes will add to the overall economic stability of Hawaii's families.

Additionally, the Legislature may want to consider funding outreach efforts so that more eligible families submit tax returns and receive the existing federal EITC, as well as funding appropriate tax preparation services to reduce overpayments because of errors.

Increases to the state minimum wage would impact eligibility for our assistance and benefit programs as they are means tested. To minimize the adverse impact an increase in wages would have to our current recipients of assistance and benefits, DHS requests that there be consideration to adjusting the effective date of this measure to allow for adequate time to make necessary rule and system changes to accommodate the wage increases.

Thank you for the opportunity to testify on this measure.



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813

www.labor.hawaii.gov

Phone: (808) 586-8844 / Fax: (808) 586-9099

Email: dlir.director@hawaii.gov

January 29, 2020

To: The Honorable Aaron Ling Johanson, Chair,
The Honorable Stacelynn K.M. Eli, Vice Chair, and
Members of the House Committee on Labor and Public Employment

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

Date: Thursday, January 30, 2020

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

From: Scott T. Murakami, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2541 RELATING TO HELPING WORKING FAMILIES

I. OVERVIEW OF PROPOSED LEGISLATION

Section 3 of HB2541 proposes to amend section 387-2, Hawaii Revised Statutes (HRS), by increasing the minimum wage rate from \$10.10 to \$11.00 per hour on January 1, 2021; and \$12.00 per hour on January 1, 2022; \$12.50 on January 1, 2023, and \$13.00 per hour on January 1, 2024.

DLIR strongly supports this measure as part of the collective effort by the Governor, the Legislature, and Community Leaders to address income inequality through a package of bills that address the high cost of living in Hawai'i and will directly support individuals and families who are struggling the most to make ends meet.

II. CURRENT LAW

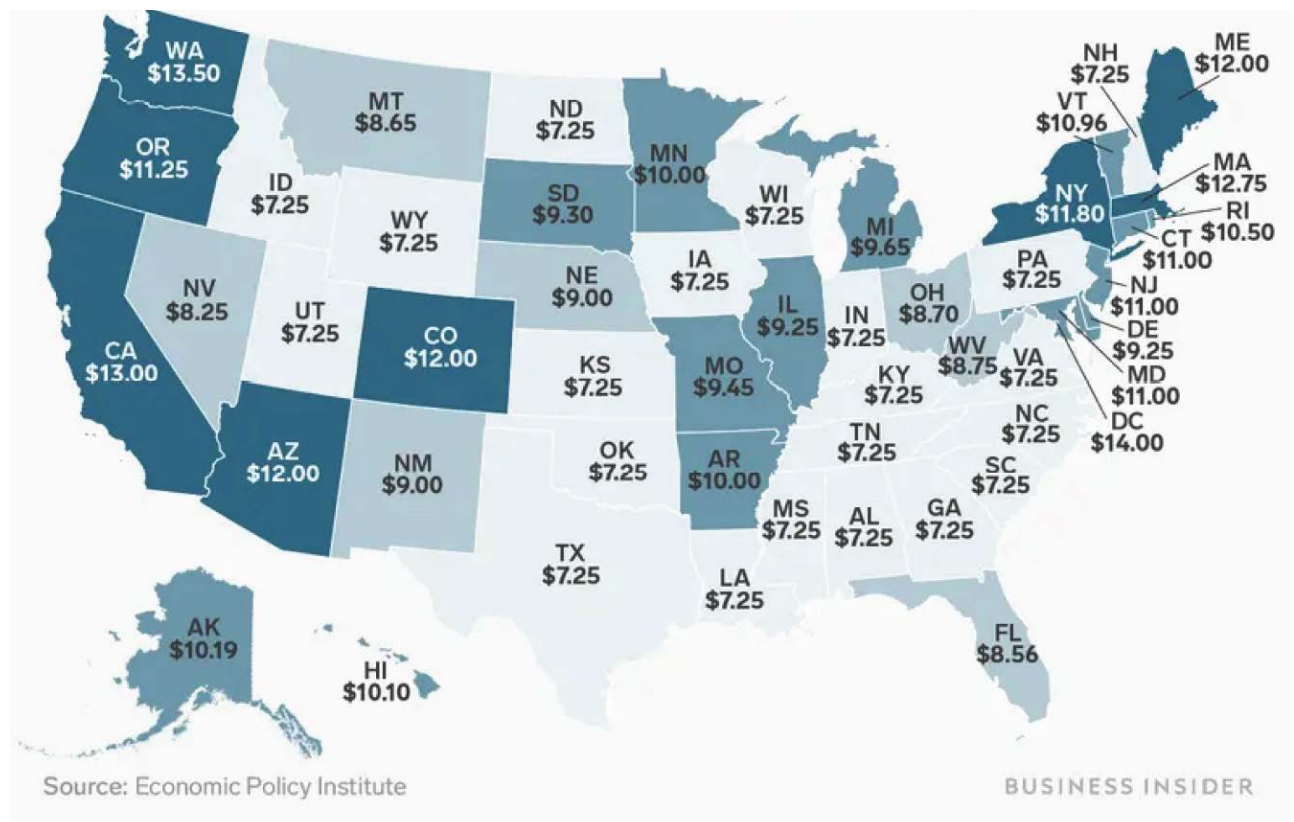
The current minimum wage rate is \$10.10 per hour. Act 82, Session Laws of Hawaii 2014, incrementally increased the minimum wage from \$7.25 to \$10.10 an hour in four consecutive years (2015-2018).

III. COMMENTS ON THE HOUSE BILL

The purpose of the minimum wage law pursuant to the Fair Labor Standards Act of 1938 was to stabilize the post-depression economy and protect the, “health, efficiency, and general well-being of workers...”

The minimum wage had its highest purchasing power in 1968, when it was \$1.60 per hour (equivalent to \$12.00 in July 2019 according to the Bureau of Labor Statistics (BLS)).

Fifteen states and the District of Columbia currently have minimum wage rates higher than Hawaii.

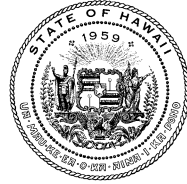


Alaska: \$10.19
Arizona: \$12.00
California: \$13.00 (employers with 25 or fewer employees, have one year to comply)
Colorado: \$12.00
Connecticut: \$11.00 (\$12.00 September 2020)
District of Columbia: \$14.00 (15.00 July 2020)

Maine: \$12.00
Maryland: \$11.00
Massachusetts: \$12.75
New Jersey: \$11.00
New York: \$11.80 (\$12.50 December 2020)
Oregon: \$11.25 (\$12.00 July 2020)
Rhode Island: \$10.50
Vermont: \$10.96
Washington: \$13.50

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
Phone: (808) 587-1540 / Fax: (808) 587-1560
Email: Tax.Directors.Office@hawaii.gov

RONA M. SUZUKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Aaron Ling Johanson, Chair;
The Honorable Stacelynn K.M. Eli, Vice Chair;
and Members of the House Committee on Labor & Public Employment

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

From: Rona M. Suzuki, Director
Department of Taxation

Re: H.B. 2541, Relating to Helping Working Families

Date: Thursday, January 30, 2020

Time: 9:00 A.M.

Place: Conference Room 309, State Capitol

The Department of Taxation (Department) supports H.B. 2541. H.B. 2541 makes many amendments to assist working families, including the following:

- Amends the earned income tax credit (EITC) to make it permanent and refundable;
- Increases the refundable food/excise tax credit to \$150 per exemption;
- Amends the income threshold to \$30,000 rather than a varying amount based on filing type for the food/excise tax credit;
- Replaces federal adjusted gross income (AGI) with Hawaii earned income as the measure of the income threshold for the food/excise tax credit; and
- Defines Hawaii earned income using federal definition of "earned income" founds in IRC sec. 32.

The bill is effective upon approval and the amendments to the EITC and the refundable food/excise tax credit apply to taxable years beginning after December 31, 2019.

Our "*Earned Income Tax Credit Report*" showed that the EITC was claimed on 55,656 returns, totaling \$15 million in credits in Tax Year 2018. Changing this credit to refundable will increase the number of claims. The IRS reports that there were 94,000 claims totaling \$206 million for Hawaii in Tax Year 2018.¹ Because Hawaii's EITC is 20% of the federal claim, the maximum credit based on these data would be about \$41 million.

Regarding the amendments to the EITC, H.B. 2541 needs to address existing nonrefundable credits carried forward from the 2018 and 2019 tax years. To clarify the treatment of these credits

¹ Internal Revenue Service, Earned Income Tax Credit & Other Refundable Credits, [Statistics for 2018 Tax Returns with EITC](#), as of January 28, 2020, 5PM.

carried forward, the Department recommends inserting a new subsection (g) into Part I of the bill to read as follows:

(g) If nonrefundable credits claimed under this section for either of the two consecutive taxable years beginning after December 31, 2017 exceeds the taxpayer's income tax liability for the original claim year, the excess of the tax credits over liability may be used as a credit against the taxpayer's net income tax liability in subsequent years until exhausted; provided that no credit carried forward under this subsection shall be used as a credit for a taxable year beginning after December 31, 2022.

Our “*Report on Tax Credits Claimed by Hawaii Residents for Tax Year 2017*” indicates that the Refundable Food Excise Tax Credit was claimed on 248,995 individual income returns, totaling \$29.9 million. Changing the credit to \$150 per exemption will result in about \$66 million in claims, a \$36 million increase.

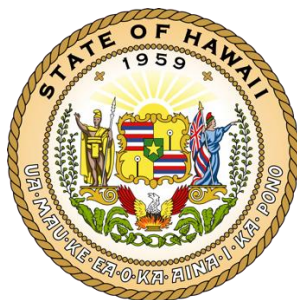
Changing the basis for the food/excise credit from federal AGI with Hawaii “earned income” will focus this credit on the employed workforce, potentially decreasing the number of taxpayers eligible for this credit.

Regarding the amendments to the refundable food/excise tax credit as currently written, all taxpayers, including heads of households and joint filers, would be subject to the \$30,000 earned income limit instead of the present \$50,000 limit. In addition, all taxpayers with less than \$30,000 of earned income would qualify for the credit, regardless of the any other income that they may receive. The Department suggests amending subsection (b) to read:

(b) Each individual taxpayer with Hawaii earned income of at least \$1 but less than \$30,000 and a federal adjusted gross income of less than \$30,000 may claim a refundable food/excise tax credit of \$150 multiplied by the number of qualified exemptions to which the taxpayer is entitled [~~in accordance with the table below~~]; provided that for heads of household, married individuals filing separate returns, and married couples filing joint returns, the taxpayer has Hawaii earned income of at least \$1 but less than \$50,000 and federal adjusted gross income of less than \$50,000; provided further that a husband and wife filing separate tax returns for a taxable year for which a joint return could have been filed by them shall claim only the tax credit to which they would have been entitled had a joint return been filed.

The Department will be able to administer the bill with its current effective date.

Thank you for the opportunity to provide testimony in support of this measure.



**‘O kēia ‘ōlelo hō’ike no ke
Komikina Kūlana Olakino o Nā Wāhine**

**Testimony on behalf of the
Hawai‘i State Commission on the Status of Women**

Prepared for the H. Cmtees. on FIN & LAB

Support of HB2541, With Amendments
Thursday, January 30, 2020, at 9:00 a.m. in Room 309

Dear Chairs Luke and Johanson, Vice Chair Cullen and Eli, and Honorable Members,

On behalf of the Hawai‘i State Commission on the Status of Women, I write in support of HB2541, with proposed amendments. The current draft would increase the minimum wage to \$13.00 per hour by 2024, create a refundable and permanent earned income tax credit, and make changes to the food/excise tax credit.

Hawai‘i should commit to reversing decades of growing inequality in the state. As an agency administratively attached to the Department of Human Services—which provides basic subsistence needs to over 300,000 Hawai‘i residents—we also seek to ensure that certain employers do not continue to exploit taxpayers by subsidizing high profits and low wages with state-funded assistance programs.

At present, the wage needed for a single worker to survive in Hawai‘i with no children and with employer-provided benefits such as pre-paid health insurance is \$17 per hour, or \$44,451 annually.¹ Filipinas and Native Hawaiian women have the lowest earnings in the state (\$33,000 vs. \$37,000). Further, a single parent needs \$33 per hour to meet basic needs. Nearly a quarter of all Hawai‘i households with children are headed by a single mother (Hess et al. 2015).² Therefore, the Commission recommends \$17 per hour as starting point of any wage increase schedule.

An increase in the minimum wage is possible and already occurring, albeit evenly. The minimum wage falls below current market wages. For example, the starting pay at Target is \$13

¹ Institute for Women’s Policy Research, *The Status of Women in Hawaii*, p. 11, 2017.

² Institute for Women’s Policy Research, *The Status of Women in Hawaii*, p. 11, 2017.

to \$16 per hour, Starbucks is \$12.50, Moku Restaurant is \$12 to \$15, Ruth's Chris Steakhouse is \$11.50 plus tips, Zippy's is \$11.50, and McDonald's is \$11.10.

To lift women workers out of poverty, the Commission respectfully requests that the Committee pass HB2541 with amendments to raise the minimum wage to at least \$17 by 2025 and to maintain the current structure of the food/excise tax credit.

Mahalo,

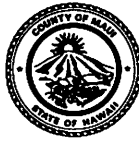
Khara Jabola-Carolus

Council Chair
Alice L. Lee

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Riki Hokama
Kelly Takaya King
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Traci N. T. Fujita, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

January 29, 2020

TO: The Honorable Aaron Ling Johanson, Chair
House Committee on Labor and Public Employment
The Honorable Sylvia Luke, Chair
House Committee on Finance

FROM: Alice L. Lee
Council Chair

A handwritten signature in black ink, appearing to read "Alice L. Lee", is written over the printed name and title.

SUBJECT: **HEARING OF JANUARY 30, 2020; TESTIMONY IN SUPPORT OF HB 2541, RELATING TO HELPING WORKING FAMILIES**

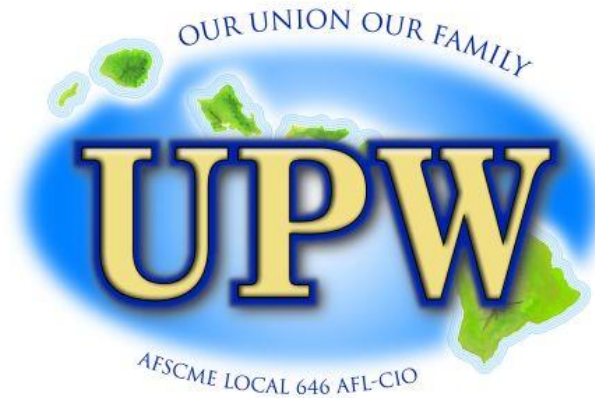
Thank you for the opportunity to testify in **support** of this important measure. This measure would: (a) make the Earned Income Tax Credit refundable and permanent; (b) increase the credit by basing it on Hawaii earned income rather than federal adjusted gross income; and (c) increase the General Excise Tax food rebate.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. This measure would take steps to mitigate tax regressivity, which is especially important to the County Council as its 2020 Legislative Package includes a bill to extend the deadline to enact a local General Excise Tax surcharge.
2. This measure would make taxation in Hawaii more progressive by increasing the General Excise Tax food rebate and making the Earned Income Tax Credit refundable—effectively allowing for another tax rebate.
3. This measure would support working families in Maui County and throughout the State by allowing them to keep more of their earned income and allowing more families to take advantage of the Earned Income Tax Credit.

For the foregoing reasons, I **support** this measure.



THE HAWAII STATE HOUSE OF REPRESENTATIVES

The Thirtieth Legislature
Regular Session of 2020

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Representative Aaron Ling Johanson, Chair
Representative Staceylynn K. M. Eli, Vice Chair

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

Date of Hearing: Thursday, January 30, 2020
Time of Hearing: 9:00 a.m.
Place of Hearing: Conference Room 309
State Capitol
415 South Beretania Street

TESTIMONY IN SUPPORT OF HELPING WORKING FAMILIES HB2541

By DAYTON M. NAKANELUA,
State Director of the United Public Workers,
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 13,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and four counties. The UPW also represents about 1,500 members in the private sector.

HB2541 is a bold step in the right direction to assist working families in Hawaii who make a Hawaii earned income of less than \$30,000 annually. By making the income tax credit

refundable and permanent and increasing the refundable food/excise tax credit Hawaii working families can expect to pay less income taxes.

Most families earning less than \$30,000 a year cannot afford professional tax preparers nor computerized tax filing programs. To get the greatest benefit from this amended earned income tax program and to reach those working families that would benefit from this program, it is suggested that the Department of Taxation attempt to simplify in common language this law and implement a strong public information and tax preparation service for this class of tax payer for at least one year. This is to encourage working families to learn how to claim this credit. The UPW strongly supports this provision.

With respect to the minimum wage proposal, the UPW recommends the following schedule:

January 1, 2021, \$12 per hour (\$23,040 annually)
January 1, 2022, \$13 per hour (\$24,960 annually)
January 1, 2023, \$14 per hour (\$26,880 annually)
January 1, 2024, \$15 per hour (\$28,880 annually)

The UPW appreciates the opportunity to submit this testimony.

The Thirtieth Legislature
Regular Session of 2020

HOUSE OF REPRESENTATIVES

Committee on Labor and Public Employment

Rep. Aaron Ling Johanson, Chair

Rep. Stacelynn K.M. Eli Vice Chair

Committee on Finance

Representative Sylvia Luke, Chair

Representative Ty J.K. Cullen, Vice Chair

State Capitol, Conference Room 309

Thursday, January 30, 2020; 9:00 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 2541
RELATING TO HELPING WORKING FAMILIES**

The ILWU Local 142 supports H.B. 2541 with suggested amendments. H.B. 2541 makes the state earned income tax credit refundable and permanent, increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income and increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Suggested amendment: \$17 by the year 2025 with modest increases of \$1.00 to \$1.50 a year.

The ILWU Local 142 applauds the legislature for prioritizing an economic justice bill to help working families in the state of Hawaii. As we all know, Hawaii has the highest cost of living resulting in thousands of workers throughout the state living paycheck to paycheck. Many workers and their families are on the verge of homelessness and many are struggling to make ends meet. Raising the minimum wage and making the EITC refundable will help many of these families and we greatly appreciate that.

Unfortunately, \$13 by 2024 just isn't enough. In fact, according to the Hawaii Department of Business, Economic Development and Tourism a single worker in Hawaii needs to earn over \$17 an hour today to simply survive at the most basic level and by 2024 the hourly wage needed to survive will almost certainly be higher. The truth is, \$17 by 2025 is still not enough but it is a step in the right direction and will undoubtedly help thousands of workers experiencing significant economic hardship.

Moreover, a full-time single worker earning \$13 an hour would make roughly \$27,000 a year, an income considered as "very low-income" by the Department of Housing and Urban Development. In fact, in most locations in Hawaii a worker would have to earn more than double their \$27,000 to simply be categorized as "low-income". These 2019 low-income rates for a single worker include:

Honolulu: \$67,500

Kahului-Wailuku-Lahaina: \$54,700

Hawaii County: \$44,000

Kauai County: \$50,400

And today, numerous cities and states across the country have enacted minimum wage laws that increase their minimum wage to \$15 or even higher. Many of these states and cities have a vibrant service sector economy and remain vibrant today with a relatively low unemployment rate. Some of these states and cities and their increases are shown below:

State/City	2020	2021	2022	2023	2024	2025
California	\$12	\$13	\$14	\$15		
Connecticut	\$12	\$13	\$14	\$15		
Maryland	\$11	\$11.75	\$12.50	\$13.25	\$14	\$15
Massachusetts	\$12.75	\$13.50	\$14.25	\$15		
New Jersey	\$11	\$12	\$13	\$14	\$15	
New York (Long Island)	\$14	\$15				
Washington, D.C.	\$15	CPI Increase	CPI Increase	CPI Increase	CPI Increase	CPI Increase
Seattle – 500 or fewer employees	\$13.50	\$15	\$15.75	\$16.50	\$17.25	
Illinois	\$10	\$11	\$12	\$13	\$14	\$15

Furthermore, it has been suggested that one of the reasons the proposed increase only goes to \$13 is because of Hawaii's Prepaid Health Care Act which requires employers to provide health care coverage to full-time workers who work 20 or more hours a week. And while that is true, it should also be noted that the Affordable Care Act, otherwise known as Obamacare, requires employers of 50 or more to provide health care coverage to full-time workers who work 30 or more hours a week. This means, businesses are paying \$15 or more in some states and cities while also providing mandated health care coverage to their employees. Additionally, it should also be noted that Hawaii has the lowest health care premiums in the country according to United Benefit Advisors. The five lowest and highest states include:

The Five States with Lowest Monthly Premiums

- Hawaii: \$411
- Idaho: \$415
- Utah: \$423
- Arkansas: \$431
- Mississippi: \$432

The Five States with the Highest Monthly Premiums

- Alaska: \$780
- Wyoming: \$662
- New York: \$624
- Vermont: \$607
- New Jersey: \$591

What we see here, are the states with the highest monthly premiums have increased their minimum wages to \$15 – this means their businesses are paying some of the highest health care premiums while also paying \$15 or higher and it has not led to any negative effects to their employment.

Furthermore, the Massachusetts health care law requires an employer contribution known as the Employer Medical Assistance Contribution (EMAC) to help fund health insurance programs in Massachusetts. Every employer with six or more employees are required to pay a percentage on the first \$15,000 of each employee's wages paid. This means most employers in the state of Massachusetts are paying a health insurance tax and a minimum wage of \$15 by 2023 with an unemployment rate of 2.8% as of December 2019.

Lastly, we should remember that we live and work in a consumer driven economy. This means, the economy thrives when workers purchase goods and services. The more money in the pocket of workers means the more money to be spent. Raising the wage is an economic stimulus that will help thousands of businesses across the state.

The ILWU Local 142 appreciates H.B. 2541 but believes the minimum wage needs to be raised to a higher amount. We strongly recommend the bill be passed with amendments. Thank you for the opportunity to testify.



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 Labor and Public Employment
Committee on Finance

Testimony by
Hawaii Government Employees Association

January 30, 2020

H.B. 2541 – RELATING TO HELPING WORKING FAMILIES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 2541 which amends three important provisions to benefit working families by making the state earned income tax credit refundable and permanent, increasing the refundable food/excise tax credit, and increasing the minimum wage.

Reports from the Census Bureau and the Department of Business, Economic Development and Tourism show that our population is shrinking due to migration outflow to the mainland and economists identify our high cost of living as a driving force. The 2018 Asset Limited, Income Constrained, Employed (ALICE) Report highlighted that 48% of Hawai'i families with children are at or below the ALICE survival budget amounts and a four-person family needs an average annual income over \$72,000, with housing representing the largest expense. A multi-pronged, wholistic approach is essential to address these problems. We cannot afford piecemeal policy changes, but rather must view, and resolve, issues at a macro-level, with attention paid to high housing costs, low wages, and needed tax credits. Relief in all these areas must align to have an impact on working families.

While the individual components of this measure may not be ideal for all, when considered as a total package of wage increases and tax credits, H.B. 2541 is clearly a step in the right direction and will ease the financial burden for working families in Hawai'i. The Department of Taxation anticipates that if enacted, working families will receive annual cash benefits of \$4,600 per family. We are hopeful that the net result is more families staying home and thriving in Hawai'i.

Thank you for the opportunity to testify in support of H.B. 2541.

Respectfully submitted,

Randy Perreira
Executive Director

HB-2541

Submitted on: 1/29/2020 12:18:00 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandy Ma	Individual	Support	Yes

Comments:

Dear Chairs Johanson and Luke, Vice Chairs Eli and Cullen, and members of the Committees:

Common Cause Hawaii supports the intent of HB2541, which is to help Hawaii's working families this session by boosting the minimum wage, increasing the EITC, and offsetting the regressive General Excise Tax through increasing the food/excise tax.

However, Common Cause Hawaii laments the fact that, with such an important legislation, impacting so many working families in Hawaii, HB2541 will only receive one hearing in the House. The elected officials owe the people more transparency and accountability in regards to HB2541. The public deserve as much and more from those in elected office. One public hearing in the House on HB 2541 is not enough time to fully understand the bill or to comment on the bill for the majority of the people.

Common Cause Hawaii respectfully requests further House hearings on HB2541.

Sandy Ma

Executive Director

Common Cause Hawaii



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: Representative Johanson, Chair
Representative Eli, Vice Chair
House Committee on Labor & Public Employment

Representative Luke, Chair
Representative Cullen, Vice Chair
House Committee on Finance

Re: **HB 2541- Relating to Helping Working Families**
Hawai'i State Capitol, Room 309
9:00AM, 1/30/2020

Chair Johanson, Chair Luke, Vice Chair Eli, Vice Chair Cullen, and committee members,

On behalf of Hawai'i Children's Action Network Speaks!, we are writing to support in support HB 2541 with suggested amendments.

Almost half of Hawai'i's households cannot afford their basic needs¹. Less than 1 in 3 people in Hawai'i are financially healthy.² Hawai'i has the highest cost of living.³ It is with these facts in mind, that the need for HB 2541 was borne and we appreciate the legislature's focus on working families this year and their needs. However, the need is dire and therefore requires bold policies. We strongly support making the earned income tax credit refundable and offer suggested amendments to 1) make the minimum wage \$17 by 2025 and 2) include the contents of HB 2219 to create a state-administered paid family leave program.

Paid Family Leave

Raising the minimum wage and providing additional tax credits are very much needed to keep families afloat. Additionally, families need, but do not have, support during major life-changing events, like having a baby or a parent nearing their end of life. Hawai'i's workers and businesses need paid family leave. A PFL program enables workers to take time off during major life events and helps businesses retain key employees and remain competitive. Recent research about families in Hawai'i and their financial health shows that at best, roughly 1/3 of our workforce has access to paid parental leave⁴, and you're more likely to find it for those working in government and military, which is not our largest workforce.

The Family and Medical Leave Act (FMLA) and Hawai'i Family Leave Law (HFLL) leave out a significant portion of Hawai'i's workforce, and neither law offers paid time off from work. This means that even those who technically qualify for unpaid family leave under state or federal law may not be able to afford to take adequate time off to meet their family's needs.

To ensure families can make ends meet, stay in the state, and stay in the workforce, we need to implement a state-administered paid family leave program.

¹ ALICE: A Study of Financial Hardship in Hawai'i, Aloha United Way, 2017

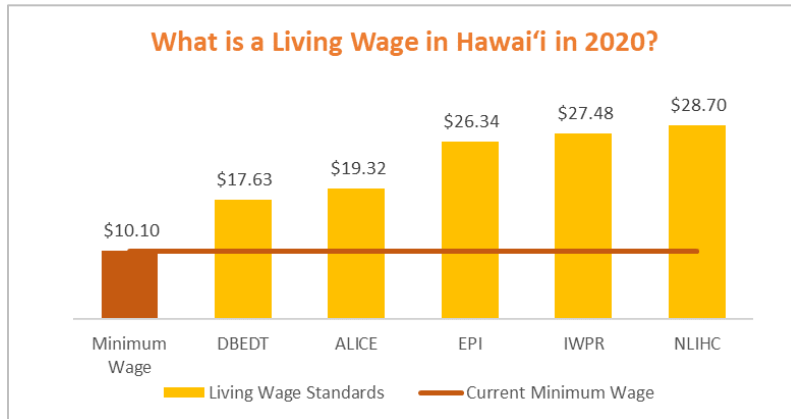
² Hawai'i Financial Health Pulse: 2019 Survey Results, 2020

³ No surprises here: Hawai'i named priciest state in the nation, Hawai'i News Now, 2018,
<https://www.Hawai'inewsnow.com/story/38636335/no-surprises-here-hawai-i-named-priciest-state-in-the-nation/>

⁴ Hawai'i Financial Health Pulse: 2019 Survey Results

Minimum Wage

The abundance of recent research shows that there is a gap in what workers need to survive in Hawai'i and what they earn. As the table below shows, our own state research points to a \$17/hour minimum wage.



A \$13/hour minimum wage in four years may slightly close the gap between what workers need and what they earn, but the gap will persist. The additional money from tax credits is helpful but it will not get to all minimum wage workers. Tax credits also do not assist in retirement savings, like social security, which is based off of earnings.

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. Our workers need a \$17/hour minimum wage by 2025 so we can keep all of our families moving forward.

Refundable Earned Income Tax Credit

An earned income tax credit (EITC) is seen to many as the working families tax credit, that helps families stave off hardships and provides a reset button for their finances come tax time. The federal credit is overwhelmingly successful at lifting people out of poverty⁵ and in particular, helping to reduce the number of children living in poverty. It is credit with better health and educational outcomes for children, higher earnings as adults for those children, and incentivizing work among adults.⁶ However, to see the full benefit of the EITC it must be made refundable. Being refundable is the reason that the EITC is so effective at boosting income and reducing hardship, because it lets families keep more of what they earn and helps them keep working despite low wages.⁷ Twenty-nine states, D.C, and Puerto Rico have all enacted a state EITC and only 6 of those have the credit as non-refundable.

The Refundable Food/Excise Tax Credit

⁵ *Policy Basics: The Earned Income Tax Credit*, Center on Budget and Policy Priorities, 2018, <https://www.cbpp.org/research/federal-tax/policy-basics-the-earned-income-tax-credit>

⁶ Ibid.

⁷ *States Can Adopt or Expand Earned Income Tax Credits to Build a Stronger Future Economy*, Center on Budget and Policy Priorities, 2019, <https://www.cbpp.org/research/state-budget-and-tax/states-can-adopt-or-expand-earned-income-tax-credits-to-build-a>



Hawaii
Children's Action Network Speaks!
Building a unified voice for Hawaii's children

We support the increase in the refundable food/excise tax credit. We do caution against creating a cliff-effect and support Hawaii Appleseed's proposed amendments in this area.

This bill is a fantastic start to try to assist the working families in our state. If the proposed amendments were implemented, we could truly celebrate it as a bill to support working families. Thank you for the opportunity to testify and for your dedication to working families.

Thank you,

Kathleen Algire
Director, Public Policy and Research



TESTIMONY TO THE COMMITTEES ON LABOR & PUBLIC EMPLOYMENT AND FINANCE

Thursday, January 30, 2020, 9:00 a.m.

State Capitol, Conference Room 309

TO: The Honorable Aaron Johanson, Chair The Honorable Sylvia Luke, Chair
 The Honorable Stacelynn Eli, Vice Chair The Honorable Ty Cullen, Vice Chair
Members of the Committees

TESTIMONY IN SUPPORT OF HB2541 RELATING TO HELPING WORKING FAMILIES

I am Peter Ho, Chairman, President and CEO of Bank of Hawaii, and appreciate the opportunity to offer this testimony in support of HB2541 relating to helping working families. As a major employer with more than 2,000 employees across the state, we commend the legislature for its comprehensive, multi-pronged approach to address Hawaii's most pressing economic and social issues.

Bank of Hawaii was a major funder of the frequently cited ALICE Report along with the just-released Hawaii Financial Health Pulse Study, which provides an even more in-depth examination into the financial behaviors of Hawaii residents and the mechanisms many people use to cope with their own situations. A complement to the ALICE report, this new survey-based study sheds light on the attitudes and behaviors that Hawaii residents have about their financial lives, particularly in the areas of spending, saving, borrowing, and planning.

The new study found that only 31% of people in Hawaii are considered financially healthy. The remaining 69% are facing financial challenges. More than one-third (36%) of residents have volatile incomes that vary from month to month. And, one in five people (20%) have trouble paying their mortgage or rent. We have shared this report with legislators as its data and findings are timely and relevant to the valuable work currently underway at the legislature. Together, these studies speak to the urgency for our state's leaders in government, business, non-profit, labor and education to come together to collectively tackle these critical issues. No one group is going to solve this problem alone.

I respectfully encourage your favorable consideration of HB2541. Again, thank you for the opportunity to testify on this matter.

Peter S Ho



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

Executive Officers

Joe Carter, Coca-Cola Bottling of Hawaii, *Chair*
Charlie Gustafson, Tamura Super Market, *Vice Chair*
Eddie Asato, The Pint Size Corp., *Secretary/Treas.*
Lauren Zirbel, HFIA, *Executive Director*
John Schlif, Rainbow Sales and Marketing, *Advisor*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Beau Oshiro, C&S Wholesale Grocers, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*

TO:

Committee on Labor & Public Employment
Rep. Aaron Ling Johanson, Chair
Rep. Stacelynn K.M. Eli, Vice Chair

Committee on Finance
Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: January 30, 2020
TIME: 9am
PLACE: Conference Room 309

RE: HB2541 Relating to Helping Working Families

Position: Comments

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.

The Hawaii Food Industry Association offers comments on this measure. We are very impressed with the thoughtfulness of the joint House, Senate, and Governor Package of bills introduced this year. We feel that our government has listened to the concerns of business and working-class people and they have put forward a thoughtful, reasonable approach to address problems associated to the cost of living in Hawaii.

HFIA strongly supports the intent of this measure to help working families, we believe the most common-sense way to improve the cost of living for all Hawaii families is to remove the GET from groceries and other necessities. Taxing groceries is the most regressive way to tax. We support the provisions of this measure to increase the food excise tax credit and make it more functional for those who are hit hardest by our state's regressive food taxes.

While business organization typically prefer to allow the market to set wage rates, we understand that the government is also under pressure to address the minimum wage. We appreciate the legislature's consideration of our business community's major concerns:

- 1) Hawaii is consistently ranked one of the worst states in the US to do business.
- 2) Hawaii employers shoulder the burden of paying full medical insurance coverage, this is a very costly mandate which should be considered when looking at the minimum wage.
- 3) The minimum wage is not intended to set a living wage. It is intended to allow for workforce training of unskilled labor.
- 4) Employers can and do pay skilled labor well above the minimum wage and will continue to do so with or without legislation changing the minimum wage.

As the legislature is aware an excessively high minimum wage is detrimental to small businesses, particularly those in small or rural island communities because they are less able to absorb the additional cost. When wages get too high many small business owners are forced to fire employees and work shifts without paying themselves wages. Other businesses that can't meet increased labor costs may be forced to close. Hawaii has one of the lowest unemployment rates in the country and workers, especially those with skills and experience, are already in a good position to command high wages.

Increasing the cost of labor can have wide ranging impacts on consumers as well. As we all know we pay substantially more than many other states for food. The U.S. Commerce Department Bureau of Economic Analysis lists Hawaii as having the second largest regional price parity¹ (RPP) in the US². Likewise, the Council for Community and Economic Research cites Hawaii's cost of living as 83.8%³ higher than the national average, just below New York (Manhattan), New York (second quarter of 2015).

Profit margins are already quite sparse for grocers and restaurants in our State. When labor costs increase businesses are forced to make adjustments in other areas. This can mean things like reducing capital investment in their businesses, hiring of fewer employees, potentially laying off employees, which in turn would mean requiring remaining workers to do more and/or raising prices on goods and services. As the Washington Examiner points out, "(I)f customers must spend ... more on one thing, they will have less to spend on another, which can cause job losses."⁴

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

¹ The RPP measure the differences in the price levels of goods and services across states and metropolitan areas for a given year. It is calculated using price quotes for a wide array of items from the CPI, which are aggregated into broader expenditure categories (such as food, transportation, or education) (see footnote 2 for source).

² US Dept of Commerce, Bureau of Economic Analysis. *Real Personal Income for States and Metropolitan Areas*, 2013. Washington, DC, 2015. https://www.bea.gov/newsreleases/regional/rpp/rpp_newsrelease.htm (accessed Oct. 7, 2015).

³ The Council for Community & Economic Research. *Cost of Living Index*. Arlington, VA, 2015. <https://www.coli.org/ReleaseHighlights.asp> (assessed Oct. 9, 2015).

⁴ Emilie Padgett, *Study: Minimum Wage Hike Boosted Price of Chipotle Burritos*, Washington Examiner, July 7, 2015. <http://www.washingtonexaminer.com/at-chipotle-increase-in-minimum-wage-means-pricier-burritos-study/article/2567752> (accessed Oct. 6, 2015).

San Francisco's minimum wage increased 14% from \$10.74 to \$12.25 per hour⁵ (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.

The price increases at Chipotle potentially suggest what is to come for Hawaii consumers and businesses. If the Chipotle model indicates the consequences of raising the minimum wage by 14% to \$12.25 in San Francisco, we need to be mindful of the impact on local jobs and prices from a 34% increase, as is being proposed in this bill.

Food retailers generally operate at a profit margin of around 1%, and it is not easy to quickly adjust to increases in costs.

Again, thank you for putting forward a thoughtful proposal that keeps in mind the concerns of employers and employees. We appreciate your continued attention to all the consequences of increasing labor costs in our State, and we thank you for the opportunity to provide testimony.

⁵ City & County of San Francisco Office of Labor Standards Enforcement. *Minimum Wage Ordinance*. San Francisco, CA, 2015. <http://sfgsa.org/index.aspx?page=411> (accessed Oct. 9, 2015).

COMMUNITY ALLIANCE ON PRISONS

P.O. Box 37158, Honolulu, HI 96837-0158

Phone/E-Mail: (808) 927-1214 / kat.caphi@gmail.com



COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Aaron Ling Johanson, Chair

Rep. Staceylynn Eli, Vice Chair

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Ty Cullen, Vice Chair

Thursday, January 30, 2019

9AM – Room 309

COMMENTS ON HB 2541 – HELPING WORKING FAMILIES STAY IN POVERTY

Aloha Chairs Johanson and Luke and Members of the Committees!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai'i for more than two decades. This testimony is respectfully offered on behalf of the families of **ASHLEY GREY, DAISY KASITATI, JOEY O'MALLEY, JESSICA FORTSON AND ALL THE PEOPLE WHO HAVE DIED UNDER THE "CARE AND CUSTODY" OF THE STATE** including the ten people who have died in the last 5 months, as well as the approximately 5,200 Hawai'i individuals living behind bars or under the "care and custody" of the Department of Public Safety on any given day. We are always mindful that more than 1,200 of Hawai'i's imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons was actually floored when we reviewed this Working Families bill. Do our legislators know how hard it is to survive in Hawai'i?

Community Alliance on Prisons supports the refundable Earned Income Tax Credit, along with a REAL minimum wage proposal. The minimum wage proposal in this bill is really insulting. About twenty years ago there was a study that looked at 10 different family types in Hawai'i (single, single with one child, single with two children, 2 parents w 1 child, etc.) The upshot was that **families need \$25 and hour (this was in the 90's)** just to survive with basic needs (food and shelter). **This proposal is \$13 by 2023.** How can families survive on this? We already have an unsheltered population of working people! \$13/hour in 2023 is not minimum wage; it is a poverty wage.

Since this bill was created in the dark, behind closed doors, with a handful of people, one is left only with assumptions on how this bill was developed and the data and research used to arrive at \$13 an hour. We live in a representative democracy and yet our representatives have consistently moved OUR government further and further away from the people. This is so heartbreaking.

Please respect the people of Hawai'i by conducting a real open, transparent, inclusive, and accessible discussion with the community who suffers under bad policy proposals. Please rethink this. Mahalo for this opportunity to testify.



Tom Jones, Chairman – Gyotaku **Greg Maples, Incoming Chair** – Pounders Restaurant
Paul Reynolds, Vice Chair – Outback Steakhouse **Dirk Koeppenkastrop, Secretary** – Il Gelato Hawaii
Tammy Fukugawa, Treasurer – TS Restaurant **Keli'i Gouveia, Past Chair** – Duke's Waikiki

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

2019 - 20 Board of Directors:

Ben Dowling
Dan Reid
Dirk Koeppenkastrop
Don Murphy
Greg Maples
Harold Watanabe
Hide Dakurai
Jonathan Burger
Keli'i Gouveia
Mariah Brown
Michael Miller
Pat Kashani
Paul Yokota
Tambara Garrick
Tammy Fukagwa
Tom Jones
Tyler Roukema
Wade Hashizume

To: Rep. Aaron Ling Johanson, Chair
 Rep. Stacelynn K.M. Eli, Vice Chair
 Members of the Committee of Labor & Public Employment

Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair
Members of the Committee of Finance

From: Victor Lim, Legislative Lead
 Hawaii Restaurant Association

Subj: HB2541 Relating to Helping Working Families

Date: January 28, 2020

The Hawaii Restaurant Association representing over 3,500 restaurants here in the state of Hawaii is very encouraged by the effort of the Governor and the Legislative bodies to put out a comprehensive bill to help the working families here in our state covering Earned Income Tax Credit, Food/Excise Tax credit, as well as the Minimum Wage. We and most of the business community have been saying for years that we needed to look at all of the above areas in helping the working families instead of just looking at the Minimum Wage alone.

We are further encouraged by the minimum wage schedule as proposed as being palatable but it is missing the Tip Credit component that has been part of our Hawaii statute for years. We would recommend that you please reconsider this component and at the very least the current schedule.

Thank you for giving us this opportunity to share our concern.

Allied Members:

Biff Graper
Dan Pence
Doug Harris
Gerda Tom
Jason Wong
Matt Rose
Michael Griffith
Naomi Azama
Sharon Shigemoto
Stevette Santiago

Advisory Board

Derek Conselva
Heather Pence
Jerry Agrusa
John Richards
Justin Yoshino
Kehau Giles
Lisa Tomihama
Peter Bellisario
Richard Turbin
Sidney Higa
Victor Lim





Aloha United Way

Aloha United Way
200 N. Vineyard Blvd., Suite 700
Honolulu, Hawaii 96817

January 28, 2020

Representative Aaron Ling Johanson, Chair, Committee on Labor & Public Employment
Representative Stacelynn K. M. Eli, Vice Chair, Committee on Labor & Public Employment
Representative Sylvia Luke, Chair, Committee on Finance
Representative Ty J. K. Cullen, Vice Chair, Committee on Finance

HB 2541: STRONG SUPPORT

Hearing: January 30, 2020; Hearing Time 9:00; Conference Room 309

Aloha Chair Johanson, Chair Luke, Vice Chair Eli, Vice Chair Cullen and Committee Members:

Aloha United Way strongly supports HB 2541 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541 will increase the minimum wage with more gradual changes so that employers have time to adjust. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population. Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541.

Sincerely,

Norm Baker
Interim President & CEO



**Testimony to the House Committees on Labor & Public Employment and
Finance**

**Thursday, January 30, 2020 at 9:00 A.M.
Conference Room 309, State Capitol**

RE: HB 2541 RELATING TO HELPING WORKING FAMILIES

Chairs Johanson and Luke, Vice Chairs Eli and Cullen and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **provides its overall support** of HB 2541, which would make the state earned income tax refundable and permanent; increase and amend the refundable food/excise tax credit; and increase the minimum wage to \$13 per hour by 2024.

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.

The Chamber appreciates the Legislature's work to introduce a package of bills to address cost-of-living issues through a comprehensive and holistic approach. We believe that we all must play a part in allowing Hawaii residents to find brighter futures here at home. The Chamber is committed to contributing to collaborative approaches. Our businesses are an integral part of our communities, and many face similar challenges that families grapple with on a daily basis.

Given the collective nature of this package, the Chamber supports Sections 1 and 2 of HB2541, relating to the earned income tax credit and the refundable food/excise tax credit. These measures would provide direct financial relief to the most vulnerable families and individuals in Hawaii.

In addition, the Chamber does not oppose Section 3 of this bill, relating to the minimum wage. We appreciate the reasonable and incremental approach to \$13.00.

We also ask that the Committees consider measures or include language to reduce the burden of a minimum wage increase on Hawaii's small businesses, as the first increase is almost a 10% increase per hourly wage.



Implementing a minimum wage increase without some kind of relief for small and local business owners could lead to the downfall of these businesses. While the number of small businesses across the state of Hawaii vary from the size of the business, number of employees and the goods they sell, many of these businesses expressed to the Chamber that they operate on shoestring budgets with thin profit margins.

According to a 2019 Congressional Budget Office report, “a higher minimum wage reduces the family income of business owners...these losses in business income are biggest in the first years after a higher minimum wage is introduced.”

Another issue is wage compression, a small difference in pay between employees regardless of their skills, experience or seniority. As such, some businesses may be forced to increase other wage levels.

Some Chamber members have said that their businesses would be able to absorb the additional costs of an increase in minimum wage. However, for others, this loss in income could be the final straw that leads to permanent closure.

Hawaii's small business owners face rising costs on all fronts. Hawaii is consistently recognized as one of the worst states in which to start and run a business due to high costs and limited access to resources. Annual studies produced by WalletHub, CNBC and Forbes consistently rank Hawaii at or near the bottom each year. For their 2019 studies, Hawaii was ranked 47th, 49th and 46th, respectively.

Hawaii is the **only** state in the country to require employers to provide health care for all employees that work 20 hours or more per week. According to the Henry J. Kaiser Family Foundation, in 2018, Hawaii employers contributed an average of \$5,720 per employee to employer-based health insurance plans.

On January 1, 2020, new U.S. Department of Labor overtime rules went into effect that raised the annual salary threshold to earn overtime by nearly \$12,000— from \$23,660 to \$35,568. The Associated Press reported that this change will impact approximately 1.3 million workers nationwide.

Other employer mandates include Workers' Compensation insurance, temporary disability insurance, unemployment insurance, payroll taxes and other voluntary benefit programs. Changing state and county regulation regarding expenses such as packaging, utilities and building construction add to the uncertainty that small business owners face.

In addition, according to State Economist Eugene Tian's January 7 presentation to the Legislature, Hawaii's real GDP growth will slow in the coming years—to nearly half of the previous 20-year average.



In closing, we know that Hawaii faces significant challenges with regard to the cost of living and the cost of doing business. The Chamber and Hawaii's business community are committed to contributing to holistic solutions that make Hawaii affordable for its businesses and its residents. As such, we ask that the committees pass HB 2541 for further discussion.

Thank you for the opportunity to testify. We look forward to collaborating with the Legislature on reasonable, rational and practical ways forward.



MOLOKAI CHAMBER OF COMMERCE

P.O. Box 515
Kaunakakai, HI 96748

T 808 658 0608

info@molokaichamber.org

www.molokaichamber.org

January 28, 2020

HOUSE OF REPRESENTATIVES
THE THIRTIETH LEGISLATURE
REGULAR SESSION OF 2020

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
AND
HOUSE COMMITTEE ON FINANCE

January 30, 2020 @ 9:00 am
Conference Room 309
State Capitol, 415 South Beretania Street

OPPOSE HB 2541, RELATING TO HELPING WORKING FAMILIES.

Aloha Committee on Labor & Public Employment Honorable Chair Johanson, Vice Chair Eli and Committee Members, and Committee on Finance 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 2541 as written, **specifically Section 3**, the increase in minimum wage section. We are in support of the remainder of the bill.

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, financial health and their very ability to stay in business.

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 as written in the bill is sure to cause many of our businesses to alter their operations to absorb these costs.

Add to that the upcoming proposed Young Brothers rate increase of 60% for LCL cargo and 24.9% for containerized cargo and vehicles, the Federal reform of the SNAP food stamp program which will significantly reduce the number eligible recipients on Molokai that is taking effect in April, and the measure passed today by the Maui County Council to effectively ban all short term rental home operations on Molokai which will decrease the tourist spend on our island, this is a perfect storm of financial hurdles that many of our businesses may not be able to bear.

In fact, one of our only four grocery stores, Maunaloa General Store, has chosen to close it's doors in anticipation of these upcoming costs and the forecast decrease in spending, further isolating the entire town of Maunaloa, (many families without vehicles and a means of travel, other than the limited bus service provided by Maui Economic Opportunity) from being able to purchase groceries without having to travel approximately 30 minutes to Kualapuu or Kaunakakai town.

All of these items either increase the cost of doing business, or decrease revenue to our local businesses.

Fewer future hires, laying off current employees, increased retail costs to customers, closing of stores 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 in part what section 3 of this measure will do. Our business community can only shoulder so much, and section 3 of this measure adds to the pressure our business owners and operators must face.

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 Revising Section 3 and/or putting in a Protection Measure for Vulnerable Rural Communities including the island of Molokai.

For these reasons, among others we humbly ask you to revise the bill to make it more compatible with our businesses ability to stay in business.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Stephenson', with a long horizontal flourish extending to the right.

Robert Stephenson, President & CEO

eli2 - Kevin

From: Kbakauai <info@kbakauai.org>
Sent: Wednesday, January 29, 2020 1:08 PM
To: LABtestimony
Subject: Bill# HB2541 - \$15 is not enough, but is a start.

Aloha Senators,

I'm sorry but \$13 is a terrible first step, it's more like a pay cut than a pay rise.

Let's look at the Median wages by states:

Alabama	\$15.18	\$15.43	1.7%
Alaska	\$21.36	\$22.68	6.2%
Arizona	\$16.50	\$17.05	3.3%
Arkansas	\$14.40	\$14.48	0.5%
California	\$19.58	\$19.67	0.5%
Colorado	\$18.86	\$19.09	1.2%
Connecticut	\$21.23	\$21.68	2.1%
Delaware	\$18.74	\$18.25	-2.6%
District of Columbia	\$29.16	\$32.63	11.9%
Florida	\$16.06	\$15.77	-1.8%
Georgia	\$16.39	\$16.51	0.7%
Hawaii	\$17.99	\$19.24	6.9%
Idaho	\$15.96	\$15.77	-1.2%
Illinois	\$18.29	\$18.40	0.6%
Indiana	\$16.36	\$16.25	-0.7%
Iowa	\$15.84	\$16.72	5.6%
Kansas	\$16.17	\$16.57	2.5%
Kentucky	\$15.70	\$15.96	1.7%
Louisiana	\$15.29	\$15.43	0.9%
Maine	\$16.53	\$17.01	2.9%

Maryland	\$20.24	\$20.68	2.2%
Massachusetts	\$21.38	\$22.45	5.0%
Michigan	\$18.67	\$17.32	-7.2%
Minnesota	\$19.18	\$19.28	0.5%
Mississippi	\$14.04	\$14.22	1.3%
Missouri	\$16.23	\$16.46	1.4%
Montana	\$14.84	\$15.75	6.1%
Nebraska	\$15.90	\$16.77	5.5%
Nevada	\$16.60	\$16.59	-0.1%
New Hampshire	\$17.99	\$18.40	2.3%
New Jersey	\$20.57	\$20.17	-2.0%
New Mexico	\$15.35	\$15.82	3.1%
New York	\$20.29	\$20.56	1.3%
North Carolina	\$16.12	\$16.31	1.2%
North Dakota	\$15.34	\$18.83	22.8%
Ohio	\$17.19	\$17.19	0.0%
Oklahoma	\$14.84	\$15.93	7.3%
Oregon	\$17.77	\$18.26	2.8%
Pennsylvania	\$17.17	\$17.63	2.7%
Rhode Island	\$18.56	\$19.10	2.9%
South Carolina	\$15.46	\$15.45	0.0%
South Dakota	\$14.32	\$15.19	6.1%
Tennessee	\$15.56	\$15.77	1.4%
Texas	\$15.93	\$17.06	7.1%
Utah	\$16.20	\$16.83	3.9%
Vermont	\$17.15	\$18.23	6.3%
Virginia	\$18.19	\$18.78	3.3%
Washington	\$20.13	\$20.87	3.7%

West Virginia	\$14.15	\$14.79	4.5%
Wisconsin	\$17.26	\$17.43	1.0%
Wyoming	\$16.97	\$18.61	9.7%

SOURCE: Governing calculations of BLS Occupational Employment Statistics data

<https://www.governing.com/gov-data/wage-average-median-pay-data-for-states.html>

Here, we're 12th out of 50 states, with numbers showing a median scale or a mid point from the highest paid salaries to the lowest paid salaries, but it is distorted by the smaller percentage of higher paid people compared to the vast majority of poorly paid people.

We know that Hawaii is one of the most expensive places to live, 3rd after New York and California (<https://www.earnest.com/blog/how-much-does-it-cost-to-rent-in-your-city-or-state/>) with Hawaii also being the second highest place to rent accommodation (<https://www.earnest.com/blog/how-much-does-it-cost-to-rent-in-your-city-or-state/>).

Knowing all that the only way \$13 is "reasonable" is if you base it on having 2 or 3 Jobs at that pay.

What is "reasonable" is to mandate a "livable" wage which will help balance the high cost of living here in Paradise (often described - a place of contentment, a land of luxury and fulfillment.) you have the chance to make that Biblical statement closer to a reality with this 1st step towards a living wage..

Sincerely



Mike Hough.
Board President



Kapaa Business Association
PO Box 1480, Kapaa, HI 96746
Phone: 1-808-822-5381
www.kbakauai.org

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Make EITC Refundable, Increase Food/Excise Credit

BILL NUMBER: HB 2541, SB 3102

INTRODUCED BY: HB by SAIKI, AQUINO, BELATTI, BROWER, CACHOLA, CREAGAN, CULLEN, DECOITE, ELI, GATES, HAR, HASHIMOTO, HOLT, ICHiyAMA, JOHANSON, KITAGAWA, B. KOBAYASHI, D. KOBAYASHI, KONG, C. LEE, LOWEN, LUKE, MATAYOSHI, MCKELVEY, MIZUNO, MORIKAWA, NAKAMURA, NAKASHIMA, NISHIMOTO, OHNO, ONISHI, PERRUSO, QUINLAN, SAN BUENAVENTURA, SAY, TAKAYAMA, TAKUMI, TARNAS, TODD, TOKIOKA, WILDBERGER, WOODSON, YAMANE, YAMASHITA; SB by KOUCHI, BAKER, S. CHANG, ENGLISH, FEVELLA, GABBARD, IHARA, INOUE, K. KAHELE, KANUHA, KEITH-AGARAN, J.KEOHOKALOLE, KIM, MORIWAKI, NISHIHARA, K. RHOADS, RIVIERE, RUDERMAN, SHIMABUKURO, TANIGUCHI, L. THIELEN, WAKAI

EXECUTIVE SUMMARY: Makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

SYNOPSIS: Part I of the bill amends section 235-55.75, HRS, to make the earned income tax credit (EITC) refundable.

Part II of the bill amends section 235-55.85, HRS, to change the threshold for the refundable food/excise tax credit to Hawaii earned income of less than \$30,000, and to increase the credit amount to \$150 per qualified exemption.

Defines "Hawaii earned income" as:

(A) Wages, salaries, tips, and other employee compensation earned in the State, but only if these amounts are includible in gross income for the taxable year; and

(B) The amount of the taxpayer's net earnings from self-employment, earned in the State, for the taxable year (within the meaning of section 1402(a) of the Internal Revenue Code); provided that the net earnings shall be determined with regard to the deduction allowed to the taxpayer by section 164(f) of the Internal Revenue Code [the deduction for one-half of self-employment taxes that is taken above the line].

For purposes of this definition:

(A) The Hawaii earned income of an individual shall be computed without regard to any community property laws;

(B) No amount received as a pension or annuity shall be taken into account;

(C) No amount to which section 871(a) of the Internal Revenue Code applies (relating to income of nonresident alien individuals not connected with United States business) shall be taken into account;

(D) No amount received for services provided by an individual while the individual is an inmate at a penal institution shall be taken into account;

(E) No amount received for service performed in work activities as defined in paragraph (4) or (7) of section 407(d) of the Social Security Act [42 U.S.C. section 607(d), where paragraph (4) refers to work experience, including work associated with the refurbishing of publicly assisted housing, if sufficient private sector employment is not available, and paragraph (7) refers to community service programs] to which the taxpayer is assigned under any state program under part A of title IV of the Social Security Act shall be taken into account, but only to the extent the amount is subsidized under the state program; and

(F) A taxpayer may elect to treat amounts excluded from gross income by reason of section 112 of the Internal Revenue Code [Certain combat zone compensation of members of the Armed Forces] as Hawaii earned income.

Part III of the bill amends section 387-2, HRS, to increase the minimum wage in increments to \$13.00 per hour beginning Jan. 1, 2024.

EFFECTIVE DATE: This Act shall take effect upon its approval; provided that parts I and II shall apply to taxable years beginning after December 31, 2019.

STAFF COMMENTS: **Earned Income Tax Credit:** In Act 107, SLH 2017, the earned income tax credit (EITC), was adopted. Its supporters maintained it's the best solution to lift families out of poverty since sliced bread. At the Department of Taxation's urging, however, the EITC was made nonrefundable. Advocates are pressing to make the credit refundable.

Well, what's the difference? Let's start with a nonrefundable credit, which is current law. Suppose you either have lots of credits or not very much income, so you have more credits than tax liability. If you have made tax payments throughout the year, through wage withholding perhaps, you still can get all your payments back. But once the tax liability hits zero, there's no more. The state does not cut you a check, but you get a credit carryover which can be used against next year's tax liability.

In contrast, a refundable credit is just as good as cash. Not only can this type of credit reduce the amount of tax owed, but if the tax liability is less than the credit the State will cut the taxpayer a check for the difference.

Why is the Department concerned about issuing refundable credits? There are several reasons.

First, issuing a refund is administratively expensive. In most businesses, the internal process necessary to send money to someone goes through several checks and balances to make sure that no mistakes are made. In our state government, we need to do those processes twice. At the

Department of Taxation, staff can ask for a refund to be issued but no one can issue a check. Instead, a document called a “refund voucher” is sent to a different department altogether, the Department of Accounting and General Services (DAGS). Once DAGS gets the refund voucher, it goes through its own processes, checking to see if the recipient doesn’t owe another agency for example, and then issues the check.

Second, a refund can become a target for bad actors. We earlier pointed to reports from the U.S. Treasury Inspector General for Tax Administration estimating that more than 20% of all federal EITC payouts were improper. Other studies estimated that about half of these so-called improper payments were paid out because someone made a mistake. Perhaps the taxpayer was confused by the tax form, which is admittedly complex. The other half were paid out because of bad actors. Maybe a taxpayer claimed credits for kids they don’t have. Maybe an unethical tax preparation service filled in data claiming credits for people who exist but aren’t part of the taxpayer’s family. Once the cash goes out, however, it’s tough to get back. In Hawaii, our credit is 20% of the federal credit so a smaller check would go out, and because the number is smaller the Department of Taxation might not be motivated to chase down the improper payments given the number and severity of other items on their plate.

Indeed, the Department recently estimated that changing the Hawaii EITC to a refundable one would cost the State \$32 million more than a nonrefundable credit. It’s not clear how they came up with that number. But that amount of money definitely could cool a few sweltering classrooms, or perhaps fix a few plumbing facilities at the airport. In this situation, what are our priorities? Where is the need greatest?

Food/Excise Tax Credit: While it appears that this measure proposes tax relief to lower income taxpayers, consideration should be given to adjusting the income tax rates or the threshold amounts so those taxpayers that these credits are aimed to help will not need to claim these credits to get tax relief (or forfeit the credits if they fail to do so). Many of the comments relating to Part I also apply here.

In addition, it should be noted that we in Hawaii have several disparate programs and tax credits aimed at poverty relief. In addition to the credits already described, income tax credits are allowed to low-income household renters (HRS section 235-55.7) and for those with dependent care expenses necessary for gainful employment (HRS section 235-55.6). Many of the credits have non-duplication provisions and all have strict time limits on when they may be claimed upon pain of credit forfeiture. Apparently, lawmakers of the past had many different ideas on how to address the problem of poverty in Paradise but couldn’t figure out which program to go with, so they adopted them all. The principal disadvantage of this is that people can and do get confused over which credits they can and can’t claim, and as a result could expose themselves to credit disallowance, penalties, and other undesirable consequences.

Now, we simply can’t afford tax credits and business as usual. Yes, we need to help those who need it, but the shotgun style used in the past has not produced results. Perhaps a better approach would be lopping off the income tax brackets applicable to lower-income taxpayers and designing ONE credit to encourage social behavior necessary to lift the taxpayer out of poverty.

Re: HB 2541

Page 4

Minimum Wage: The Foundation is not commenting on Part III of the bill.

Digested 1/28/2020



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
In Support with Amendments of HB 2541 – Relating to Helping Working Families
House Committees on Labor & Public Employment and on Finance
Thursday, January 30, 2020, at 9:00 AM in conference room 309

Dear Chairs Johanson and Luke, Vice Chairs Eli and Cullen, and members of the Committees:

Thank you for the opportunity to provide testimony in **SUPPORT, with amendments, of HB 2541**, which addresses the high cost of living in this state by making changes to our state's minimum wage, earned income tax credit (EITC) and food/excise tax credit.

We appreciate the legislature's focus on the struggles of Hawaii's working families this session. Boosting minimum wage, increasing the EITC, and offsetting the regressive General Excise Tax by increasing the food/excise tax are smart ways to ensure that working families can make ends meet.

We wholeheartedly endorse the section of HB 2541 that makes our state's EITC refundable and permanent. However, to achieve the impacts that Hawai'i's working families need, **we respectfully suggest amendments for a more robust minimum wage—one aimed at reaching \$17 by 2025 through increases of \$1.00 or \$1.50 each year**—still under a true living wage, but getting closer to that target and more in line with what's happening in other high cost of living states. And **we suggest amendments to the food/tax credit proposal that ensures that its impact hits where it's most needed** (see page 6).

The table below summarizes the likely effects of the different parts of HB 2541. Of note, it shows: (1) the importance of the minimum wage component of the bill relative to the tax credits, given the minimum wage's potential impact to a household's income, and (2) how the proposed changes to the food/excise tax credit will have mixed outcomes, benefiting some working poor families while increasing the tax bills of others. The table is followed by more detailed explanations of how the numbers in this table were calculated.

POTENTIAL EFFECTS OF HB 2541 ON DIFFERENT TYPES OF FAMILIES				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 child	Married with 2 children
Annual full-time income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200	\$42,016 (2 at minimum wage)
Hourly wage	\$10.10	\$13.88	\$15.00	\$10.10
Annual income effect of:				
Refundable EITC	+\$193	+\$581	0	0
Food/Excise changes	+\$190	+\$380	-\$90	-\$140
\$13 minimum wage	+\$6,032	0	0	+\$12,064
\$17 minimum wage	+\$14,352	+\$6,481	+\$8,320	+\$28,704

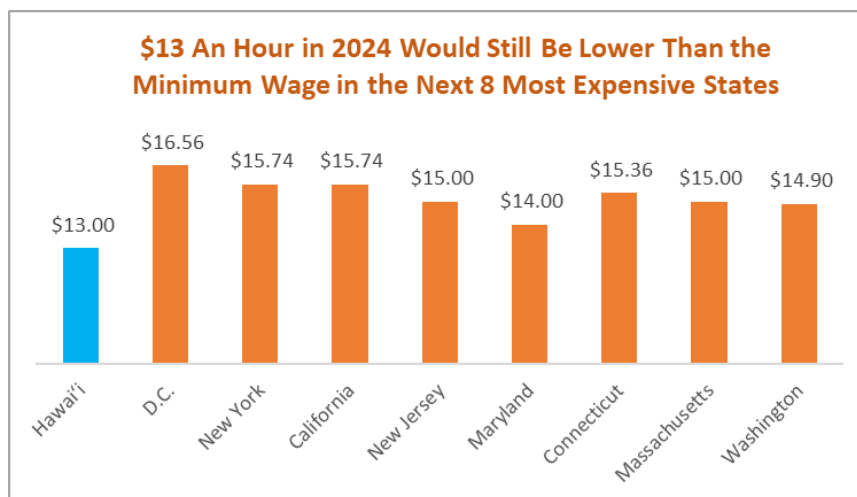
The Hawai'i Appleseed Center for Law and Economic Justice is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and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

The Minimum Wage

\$13 an hour is about \$27,000 a year for full-time work. That's not enough to live on in 2020, let alone four years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

The last time Hawai'i's minimum wage earners got a raise – to \$10.10 an hour – was January 1, 2018. They already have been stuck at that level – **\$21,000 a year for full-time work** – for more than 2 years. With inflation eroding their pay, \$10.10 now is worth only \$9.68 in 2018 dollars, so full-time minimum wage workers in Hawai'i are losing the equivalent of over \$500 per year to inflation.

Hawai'i's current minimum wage is already lower than in the other highest cost-of-living states. And Hawai'i will be falling further behind. The **next eight most expensive states**ⁱ have passed laws to **raise their minimum wages to at least \$15** over the next 5 yearsⁱⁱ – and the cost of living in all of those states is *lower* than in Hawai'i.



These other high cost-of-living states also already have *refundable* state earned income tax credits (meaning that a taxpayer can get a refund if their credit is worth more than they owe in income tax) for low-wage and working-class taxpayers. And EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn't have an income tax) than in Hawai'i. In other words, even if Hawai'i's EITC becomes refundable, **minimum wage earners in the next eight most expensive states will receive more from their EITCs than in Hawai'i.**

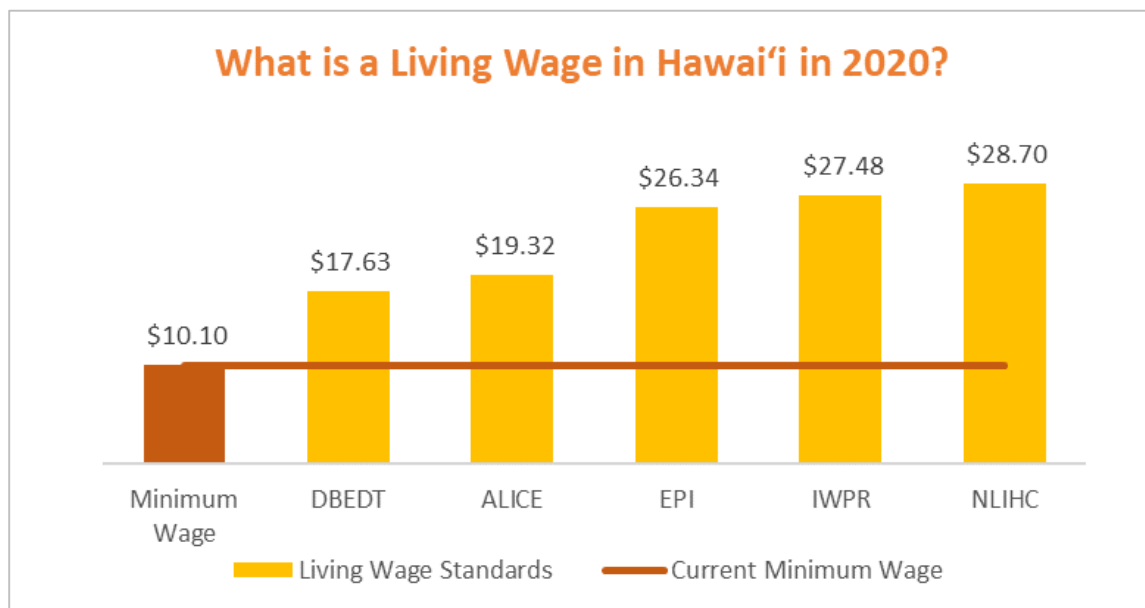
Most Expensive States	State EITC Refundability	Percent of Federal EITC
Hawai'i	non-refundable	20
D.C.	refundable	40
New York	refundable	30
California	refundable	85
New Jersey	refundable	37
Maryland	refundable	28
Connecticut	refundable	23
Massachusetts	refundable	30
Washington	refundable	10*

*not implemented and no income tax

With those eight other states – all with lower costs of living than in Hawai‘i – already on track to raise their minimum wage well past \$15 in the coming years, **please amend this bill to raise Hawai‘i’s wage by between \$1 and \$1.50 per year to \$17 an hour by 2025.** That would mean an average increase of 11 percent per year – which is less than some of the increases in Hawai‘i’s minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

How much do people need to make ends meet in Hawai‘i? Our state Department of Business, Economic Development & Tourism estimates that a single person with no children in Hawai‘i needs to earn **\$17.63 an hour to “meet their basic needs” in 2020.**ⁱⁱⁱ Other research groups have pegged basic economic security in Hawai‘i even higher.^{iv}

The difference between \$17 an hour and \$13 an hour is more than \$8,000 per year for full-time work. That’s much more than the vast majority of low-wage and working-class taxpayers in Hawai‘i will receive in tax credits.

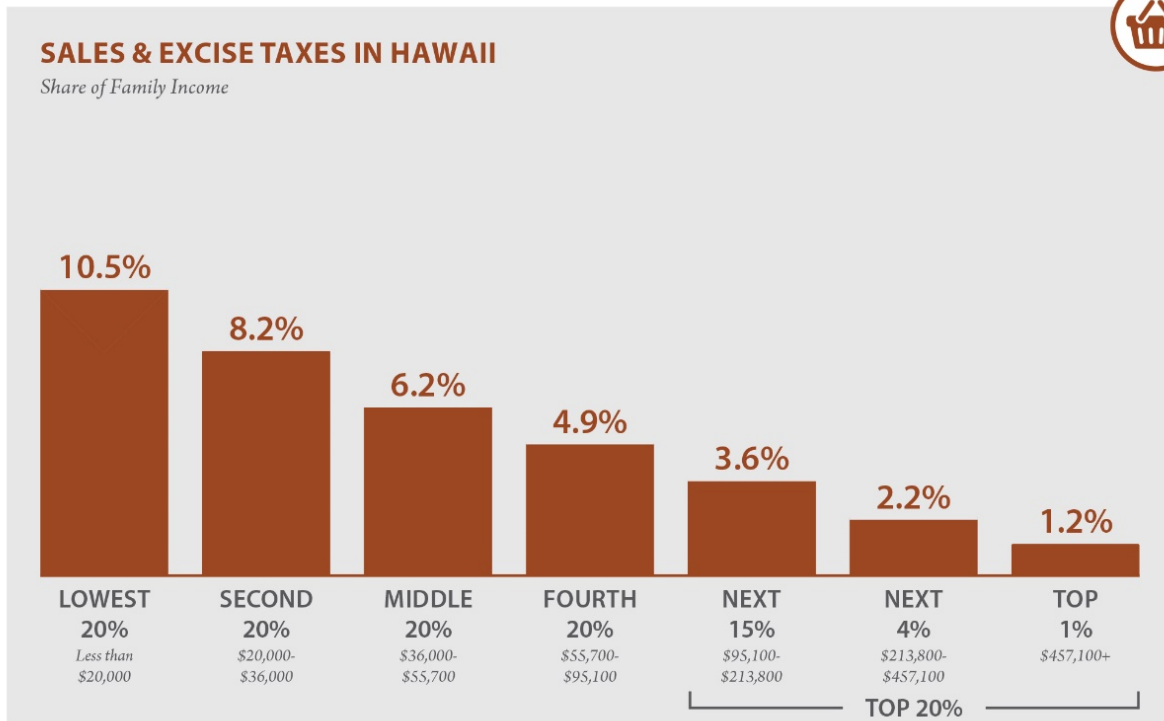


The Earned Income Tax Credit

Thank you for creating the Hawai‘i EITC in 2017. It is having a significant impact, helping thousands of our hard-working neighbors keep more of what they earn. As proposed by this bill, making it refundable will nearly double its impact, and eliminating the sunset will ensure that it endures. Absent refundability, tax filers can't get back more through the credit than what they owe in state income tax. The federal EITC is refundable—which is a significant reason why it brings more children out of poverty than any other federal program or credit—as are 23 of the other 28 state EITCs.^v

Hawai‘i’s ranks second nationally in how heavily we tax our low-income residents. Our lowest-income families pay 15 percent of their income in state and local taxes, while those at the top pay only about nine percent.^{vi}

The main reason for the regressivity of our local tax system is the General Excise Tax (GET), applied to almost all goods and services, which hits low-income and working-class families almost nine times harder than those at the top.



In fact, most low-income households pay far more in the GET than they do in state income taxes. So by being non-refundable, Hawai'i's current EITC provides less benefit to the lowest-income households who need it the most.

The Department of Taxation's report on the state EITC's first year (2018) confirms this. While households earning between \$15,000 to \$45,000 per year received an average of over \$300 in the state EITC, those under \$15,000 received an average state EITC of only \$51.^{vii}

Table 1
Claims for the Earned Income Tax Credit, by Income Range
Tax Year 2018

Federal Adjusted Gross Income Range	Number of Credits Claimed	Amount of Credit (\$)	Average Amount per Claim (\$)
Less than \$15,000	13,397	\$684,391	\$51
\$15,000 to 30,000	20,260	7,707,318	380
\$30,000 to \$45,000	19,225	6,502,191	338
\$45,000 and above	2,774	388,250	140
Total	55,656	\$15,282,150	\$275

This table below shows how minimum wage and poverty-level households are able to use part of the state EITC to eliminate state tax liability. However, a refundable EITC would give the lowest income taxpayers, Households 1 and 2, refunds amounting to \$193 and \$581, respectively. Households 3 and 4 have slightly higher incomes and owe more in state taxes. Because of that, they already get the full benefit of the state EITC to reduce their tax obligation.

EFFECTS OF REFUNDABLE HAWAI'I EITC				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 child	Married with 2 children
Annual income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200 (\$15 per hour wage)	\$42,016 (2 at minimum wage)
Hawai'i taxable income	\$15,508	\$19,894	\$25,700	\$33,040
Hawai'i income tax	\$634	\$792	\$1,303	\$1,605
Refundable tax credits that reduce taxes:				
Current food/excise tax credit	-\$110	-\$220	-\$90	-\$140
Low-income renters tax credit	-\$100	-200	\$0	\$0
Taxes owed after subtracting tax credits	\$424	\$372	\$1,213	\$1,510
Non-refundable state EITC:				
Current Hawai'i EITC	\$617	\$953	\$291	\$399
EITC applied to tax liability	-\$424	-\$372	-\$291	-\$399
Final state tax liability	\$0	\$0	\$1,111	\$922
Was all state EITC used?	No	No	Yes	Yes
Annual income effect of:				
Making EITC refundable	+\$193	+\$581	0	0

The Refundable Food/Excise Tax Credit

Hawai'i has the highest cost of living in the nation. One of the main contributing factors is our high cost of food. And we are also one of only seven states that fully taxes groceries. In 2007, Hawai'i created the food/excise credit to help ease the burden of taxes on basic necessities purchased by low-income and working-class households.

The current food/excise tax credit maxes out at \$110 per household member, for the lowest-income families, and slowly phases out as incomes rise. It also provides a higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers.

The proposed changes to the food/excise tax credit in HB 2541 would raise the maximum to \$150 per qualified exemption. Rather than phase it out, any household that earns \$30,000 or more per year would no longer receive any of the credit. For a family of four, for example, if their income rose from \$29,900 to \$30,000, they would lose \$600 in tax credits. In general, **phasing out tax credits is considered good tax policy** in order to avoid such tax "cliffs."

In addition, this bill would lower the income eligibility limit for married and head of household tax filers from \$50,000 to \$30,000 per year. The most recent Department of Taxation report on tax credits claimed by Hawai'i taxpayers^{viii} finds that 41,100 households with annual incomes between \$30,000 and \$59,999 claimed the food/excise credit in 2017. It is reasonable to conclude that **tens of thousands of low to moderate-income families would lose their food/excise tax credits due to this proposed change.**

It also appears that the new "Hawaii earned income" definition creates some winners with very high incomes, including in the top one percent. That's because the new income definition does not count non-wage income, such as capital gain and dividends. So it's possible that someone living off of a trust fund with zero wages/salary would qualify for the food/excise credit under this new definition.

A preliminary analysis indicates that **more than 10 percent of the increase in the food/excise tax credit due the proposed changes in this bill would go to households with incomes over \$120,000 per year**, including three percent of taxpayers in the top one percent.^{ix}

Rather than make such drastic changes to the food/excise tax credit, we suggest keeping the current structure that phases out the amount of the credit as incomes rise as well as the different eligibility levels for married and single-parent households versus single households. **Instead, we suggest adjusting the credit amounts and eligibility levels to catch up with inflation**, since the last times that the credit was changed:

The dollar amounts that tax filers could get back from this credit were last updated in 2015. To make up for the inflation and keep up with the cost of living over the next four years, the maximum credit value would increase to approximately \$118 in 2021, \$125 in 2023, and \$130 in 2025. The income eligibility cut-offs have not been adjusted since 2007, so catching those up to inflation would mean raising the levels to \$62,000 for married and head of household filers / \$37,000 for single filers in 2021, \$65,000 / \$39,000 in 2023, and \$68,000 / \$41,000 in 2025.

POTENTIAL EFFECTS OF FOOD/EXCISE TAX CREDIT CHANGES				
	Household 1	Household 2	Household 3	Household 4
Description	Single parent with 1 child	Married with 2 children (1 worker)	Single parent with 1 Child	Married with 2 children
Annual full-time income	\$21,008 (minimum wage)	\$28,870 (2018 poverty level)	\$31,200	\$42,016 (2 at minimum wage)
Hourly wage	\$10.10	\$13.88	\$15.00	\$10.10
Annual income effect of:				
Food/Excise changes	+\$190	+\$380	-\$90	-\$140

Thank you for considering this testimony and our suggested amendments. In the most expensive state to live in the nation, our struggling low-wage families need both larger tax credits *and* a robust boost to the minimum wage. Without these changes, working-age people in Hawai'i will continue to struggle. As their struggles increase, and more and more will move to places where they can afford to live, damaging Hawai'i's economy and future. By investing in our people, we can build a stronger Hawai'i.

ⁱ <https://www.bea.gov/news/2019/real-personal-income-states-and-metropolitan-areas-2017>

ⁱⁱ <https://www.epi.org/minimum-wage-tracker/>

ⁱⁱⁱ https://files.hawaii.gov/dbedt/economic/reports/self-sufficiency/self-sufficiency_2018.pdf

^{iv} <https://www.raiseuphawaii.org/media/living-wage-standards-hawaii-2020>

^v <http://www.taxcreditsforworkersandfamilies.org/state-tax-credits/>

^{vi} <https://itep.org/whopays/hawaii/>

^{vii} http://files.hawaii.gov/tax/stats/stats/act107_2017/act107_earnedincome_txcredit_2018.pdf

^{viii} <http://files.hawaii.gov/tax/stats/stats/credits/2017credit.pdf>

^{ix} Unpublished analysis of HB 2541 by the Institute on Taxation and Economic Policy



HB 2541, RELATING TO HELPING WORKING FAMILIES

JANUARY 30, 2019 · HOUSE LABOR AND PUBLIC
EMPLOYMENT COMMITTEE AND HOUSE FINANCE
COMMITTEE · CHAIR REP. AARON LING JOHANSON
AND CHAIR REP. SYLVIA LUKE

POSITION: Support, with amendments.

RATIONALE: IMUAlliance supports and suggests amendments for HB 2541, relating to helping working families, which makes the state earned income tax credit refundable and permanent; increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawai'i earned income, rather than federal adjusted gross income; and increases the minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$35,143 to achieve self-sufficiency in Hawai'i in 2018, while a single parent with one child required \$59,428. Adjusted for inflation, DBEDT's reporting shows that in 2020, a single minimum wage worker must earn at least \$17.63 to survive on our shores, a number that rises to \$18.22 for Honolulu. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time minimum-wage employee earns only \$21,008 annually, \$15,000 less than what's needed to meet her basic needs.

Moreover, Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out*

of *Reach 2019* report found that a full-time worker would need to earn \$36.82/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, **with minimum wage workers needing to log 111 hours per week to afford a modest one-bedroom apartment at fair market value and 146 hours per week to afford a two-bedroom**—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$16.68/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, 63 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income.

Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's population dropped by more than 4,700 people, to 1,415,872, from July 2018 to July 2019, when births, deaths, and migration were accounted for. That's the biggest numerical population drop since 2015 and it made Hawai'i one of just ten states in the country to lose population in 2019, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has 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

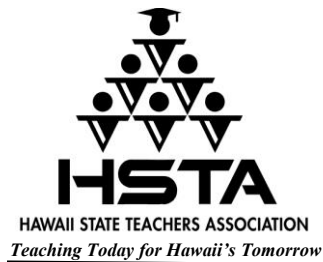
the number of small businesses increase. Hawai'i will likely see the same impact under new minimum wage increases, leading to greater prosperity for all.

We appreciate this measure's effort to uplift working families. To begin, **we wholeheartedly support making our state's Earned Income Tax Credit refundable.** The Hawai'i EITC, established in 2017, provided \$15,282,150 in financial relief to 55,656 taxpayers in 2018, according to DBEDT. Taxpayers claimed an average credit amount of \$275, with roughly 60 percent of claimants earning \$30,000 per year or less. Making the EITC refundable will effectively double its impact, while repealing the credit's current sunset date will ensure that it endures for future generations. Notably, the federal EITC and 23 out of 28 other state EITCs are refundable. Making the EITC refundable will also advance tax fairness for our state's workforce, helping to close the glaring gap in the tax burden paid by Hawai'i's highest and lowest earners. Currently, our most economically disadvantaged populations pay almost 1000 percent more in excise taxes than richer residents as a percentage of their total income, with low-income families paying more in excise taxes on an annual basis than they do in income taxes. Creating a refundable EITC provides a direct tax benefit to these families, who are otherwise left lagging far behind their more affluent neighbors in terms of tax equity.

We also **support increasing the refundable food/excise tax credit, though we ask you to consider keeping the progressive, phased structure of the current credit in place.** Hawai'i's high cost of food is a primary driver of our high cost of living. Currently, the food/excise tax credit maxes out at \$110 per household member for the lowest-income families, gradually phasing out as income levels escalate. It also provides higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers. This measure would raise the maximum credit level to \$150 per qualified exemption, applied to any household that earns \$30,000 or less per year. As financial experts attest, phasing out tax credits is considered sound policy in order to avoid tax "cliffs," in which credits are lost when an individual or family earns one dollar more than the income eligibility limit prescribes. We also request that you maintain the \$50,000 annual income eligibility limit for married and head of household tax filers, currently contained in state law. Hawai'i Department of Taxation officials recently reported that 41,100 households with annual incomes between \$30,000 and \$59,999 claimed the food/excise credit in

2017. If the income threshold is lowered, tens of thousands of low- to moderate-income families will lose the tax relief that they are currently afforded by the food/excise tax credit.

Finally, we suggest **amending this measure to phase in a minimum wage increase to \$17 over five years in \$1.00 increments or, alternatively, gradually increasing the minimum wage to \$13.00 in \$1.50 increments by 2022, rather than 2024.** Hawai'i's current minimum wage, adjusted for inflation, amounts to merely \$8.52, which is far below what's needed to survive, much less thrive, on our shores. In fact, the eight states (including Washington D.C.) with the highest cost of living other than Hawai'i—New York, California, New Jersey, Maryland, Connecticut, Massachusetts, Washington, and the District of Colombia—have all passed laws to raise their minimum wages to at least \$15 over the next five years. We should follow suit by providing economic justice to the hardworking families that form the heartbeat of our economy, whose financial situation becomes more precarious with each passing year.



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

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC
EMPLOYMENT AND THE COMMITTEE ON FINANCE

RE: HB 2541, HD1 - RELATING TO HELPING WORKING FAMILIES

THURSDAY, JANUARY 30, 2020

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Johanson, Chair Luke, and Members of the Committees:

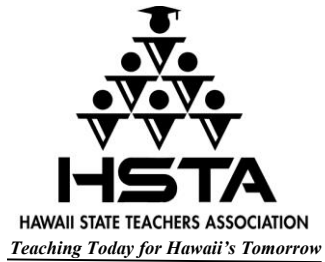
The Hawaii State Teachers Association supports HB 2541, with the suggested amendments, relating helping working families.

First of all we support the first part of this bill that would make the earned income tax credit refundable and permanent. We also support raising minimum wage. However, we believe it should be raised higher. 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 **currently will only increase the minimum wage to \$13 by 2024.** According to DBEDT, Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to "meet their basic needs" in 2020. HSTA urges the legislature **to amend the language to raise the minimum wage to \$17 by 2025, 6 steps to reach \$17 by 2025, as we suggested last year.**

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.

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**



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

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 **support** this bill with suggested amendments.



Board Members

President

Jason Okuhama
Managing Partner,
Commercial & Business Lending

Secretary

Marcus Kawatachi
Deputy Director,
Hawai'i Civil Rights Commission

Trina Orimoto
Clinical & Research
Psychologist

Miwa Tamanaha
Co-Director,
Kua'āina Ulu 'Auamo

HACBED Staff

Brent N. Kakesako
Executive Director

Keoki Noji
Chief Operating Officer

Merri Keli'ikuli
Bookkeeper & Office Manager

Sean Tangco
Program Specialist

Chelsie Onaga
AmeriCorps VISTA

Eden Jablon
AmeriCorps VISTA

Date: January 28, 2020

To: Representative Aaron Ling Johanson, Chair, Representative Stacelynn K.M. Eli, Vice-Chair, and members of the Committee on Labor and Public Employment

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: Strong Support for HB2541

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

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports HB2541 with amendments. HACBED supports making the State Earned Income Tax Credit (EITC) refundable and permanent and increasing the food/excise tax credit. HACBED also supports an increase to the minimum wage but respectfully suggest amendments that lead to reaching \$17 per hour by 2025 though increases of \$1.00 or \$1.50 per year.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. 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) from

2008-2016, which administered 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. The Department of Business, Economic Development and Tourism's latest Self-Sufficiency Income Standard Family Economic Self-Sufficiency Income Standard (2016) depicts the obstacles that Hawai'i families are facing. The Standard measures the amount of money that individuals and families require to meet their basic needs without government and/or other subsidies and the data shows the following percentage of families who fall below the self-sufficiency standard statewide:

- 31.7% of families with two adults and two children;
- 50.8% of single-adult families with children.

Through FISSP surveys, families have indicated that they used the EITC money to manage daily expenses, eliminate debt, open and maintain savings accounts, purchase a home, cover education costs, or start a business. An increased minimum wage would provide additional needed support and put us in line with other similarly situated states as Hawai'i.

The passage of HB2541 would go a long way to supplement the needs of these families by shifting the state earned income tax credit (EITC) to be refundable and permanent, increasing the food/excise tax credit, and increasing the minimum wage. We again would respectfully suggest amendments leads to reaching \$17 per hour

by 2025 though increases of \$1.00 or \$1.50 per year. Each of these changes supports families who are actively contributing to our workforce, is proven to alleviate child poverty and related child health, education, and earning issues, and has a multiplier effect on our economy as these workers are most likely to spend resources from the refundable credit within their local community.

Mahalo for this opportunity to testify,

Brent N. Kakesako
Executive Director



**Before the House Committee on Labor & Public Employment and
Committee on Finance**

DATE: January 30, 2020

TIME: 9:00 a.m.

PLACE: Conference Room 309

Re: HB 2541, Relating to Helping Working Families

Aloha Chair Johanson, Chair Luke, Vice-Chair Eli and Vice-Chair Cullen and members of the committees:

We are testifying on behalf of the National Federation of Independent Business (NFIB) in opposition to HB 2541.

No one has greater incentive, responsibility or ability to lead the economy than Hawaii's small business owners. This bill is a step toward recognizing 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 understand that proponents advocate for even higher and steeper increases. We consistently and respectfully 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.

COMMENTS ON HB 2541

TO: House Committee on Labor & Public Employment FROM: Jasmine Umeno
Chair: Aaron Ling Johanson Executive Assistant
Vice Chair: Stacelynn K.M. Eli

House Committee on Finance
Chair: Sylvia Luke
Vice Chair: Ty J.K. Cullen

DATE: January 29, 2020

Dear Chair Johanson, Vice Chair Eli, Chair Luke, Vice Chair Cullen, and Committee Members,

Hawai'i Health & Harm Reduction Center (HHHRC) is writing **to submit comments regarding HB 2541**, which would make Hawai'i's Earned Income Tax Credit permanent and refundable, adjust the food and excise tax credit, and raise the minimum wage to \$13 per hour by the year 2024. **HHHRC strongly supports** making the EITC refundable and permanent, but **opposes** the minimum wage increase as this wage is not adequate enough to live on for Hawai'i workers and families.

Making Hawai'i's EITC refundable and permanent would help our state move towards a more progressive tax system that does not disproportionately burden our lowest-income citizens. In Hawai'i, low-income residents pay more state and local taxes as a share of their income than higher-income residents; a refundable credit against state income taxes would contribute toward keeping the tax system fair.¹ Currently, Hawai'i places the second-heaviest state and local tax burden on low-income households in the nation, according to the Institute on Taxation and Economic Policy. Our lowest-income families pay 15% of their income in state and local taxes, while those at the top pay only about 5%. By making our EITC refundable, significant portions of what low-income working families pay in our

¹ Davis, C., Davis, K., Gardner, M., Heimovitz, H., Johnson, S., McIntyre, R.S., Phillips, R., Sapozhnikova, A., Wiehe, M. (2015). Who pays? A distributional analysis of the tax system in all 50 states. 5th Edition. Washington, DC: The Institute on Taxation & Economic Policy.

state's regressive General Excise Tax will be returned to them, and allow these families to meet their basic needs with their own earned income.²

By being non-refundable, Hawai'i's current EITC provides less benefit to the lowest-income households who need it the most. Our state EITC's current lack of refundability significantly limits the economic stimulus and job creation roles that the EITC can play. Our state EITC is scheduled to sunset after December 31, 2022. It should be made permanent to ensure that the working families in Hawaii that need the support of the EITC will continue to receive it.

By all accounts, a minimum wage of \$13 per hour is far too low a wage to live on in Hawai'i in 2020, much less in the year 2024. The Hawai'i Department of Business, Economic Development & Tourism's (DBEDT) self-sufficiency income standards outline a living wage of \$17.63 to meet a single adult's basic needs in 2020, while the minimum wage to be able to afford housing according to The National Low-Income Housing Coalition (NLIHC) is projected to be \$28.70 in 2020³. Hawai'i is among the most expensive states to live in the United States. A minimum wage increase to \$13 per hour in 2024 would set Hawai'i even further behind other U.S. states with high living costs; in fact, "the next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is lower than in Hawai'i."⁴

HHHRC works with many individuals who are impacted by poverty, housing instability, and other social determinants of health, and our organization sees firsthand the negative effects of Hawai'i's high cost of living. It is our hope to work towards dignity and fairness within our tax system to the low-income workers and families in our state through improvements to credits like the EITC, paired with a state minimum wage that allows Hawai'i workers to meet their basic needs.

Mahalo for the opportunity to provide these comments on HB 2541.

2 Pobutsky, A. & Stern, I.R. (2016). How a State Earned Income Tax Credit Would Benefit Hawai'i's Low-Income Families and Children. Honolulu, HI: University of Hawai'i, Center on the Family.

3 <https://www.raiseuphawaii.org/s/RUH-living-wage-in-2020-updated.pdf>

4 <https://www.raiseuphawaii.org/s/13DollarsIsNotEnough.pdf>

HB-2541

Submitted on: 1/28/2020 4:45:10 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch, Jr.	Pride @ Work - Hawaii	Support	No

Comments:

Aloha Representatives,

Pride at Work – Hawai'i is an official chapter of Pride At Work which is a national nonprofit organization that represents LGBTQIA+ union members and their allies. We are an officially recognized constituency group of the AFL-CIO that organizes mutual support between the organized Labor Movement and the LGBTQIA+ Community to further social and economic justice.

Pride at Work – Hawai'i supports House Bill 2541 but requests that the minimum wage be raised to \$17.00 an hour by 2025. Hawaii's working poor need the relief that this amendment will provide. \$13.00 an hour is not enough to lift Hawaii's people out of poverty.

We humbly ask for your support.

Mahalo for the opportunity to testify.

Pride at Work – Hawai'i



January 28, 2020

House's Committees on Labor & Finance
Hawaii State Capitol
415 South Beretania Street, Room 309
Honolulu, HI 96813

Hearing: Tuesday, January 30, 2020 – 9:00 a.m.

RE: SUPPORT for House Bill 2541 with Requested Amendment

Aloha Chair Johanson, Chair Luke and fellow committee members,

I am writing in SUPPORT to House Bill 2541 on behalf of the LGBT Caucus of the Democratic Party of Hawai'i. HB 2541 makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

HB 2541 is greatly needed for our economy and the state. When employees are not paid a living wage it is a drain on the economy and the State's budget. Because it is we the tax payers that end up help subsidizing business profits for those employers that refuse to pay a living wage.

The LGBT Caucus would be STRONGLY supporting HB 2541 if the increase to the minimum wage was to \$17.00 an hour by 2024. Even Hawaii's own Department of Human Services states that a person must make at least \$15.00 an hour to be considered independent when leaving transitional housing.

The LGBT Caucus supports making the state earned income tax credit refundable and permanent for the following reasons:

We support the bill for the following reasons:

- The federal EITC is refundable, as are 23 of the other 28 state EITCs. But many of the working-poor families who are eligible for Hawaii's EITC are not benefitting from it because ours is not refundable.
- By being non-refundable, Hawai'i's current EITC provides less benefit to the lowest-income households who need it the most. The Department of Taxation's report on the state EITC's first year (2018) confirms this. While households earning between \$15,000 to \$45,000 per year received an average of over \$300 in the state EITC, those under \$15,000 received an average state EITC of only \$51.
- Hawaii places the second-heaviest state and local tax burden on low-income households in the nation, according to the Institute on Taxation and Economic Policy. Our lowest-income families pay 15% of their income in state and local taxes, while those at the top

LGBT Caucus Testimony is Support with requested amendments House Bill 2541

pay only about 5%. The main reason for this is our regressive General Excise Tax (GET). Making our EITC refundable will return significant portions of what they pay in the GET to low-income working families.

We hope you all will support this important piece of legislation with our suggested amendment.

Mahalo nui loa,

Michael Golojuch, Jr.
Chair and SCC Representative
LGBT Caucus for the DPH



Young Progressives Demanding Action
P.O. Box 11105
Honolulu, HI 96828

January 27, 2020

TO: House Committees on Labor & Public Employment and Finance
RE: Comments on HB2541

Dear Representatives,

Young Progressives Demanding Action (YPDA) advocates for public policies that reflect the values of young people throughout the State of Hawai‘i. These values include a living wage for Hawai‘i’s workers.

As currently written, HB2541 will offer only a minimum wage of \$13 per hour. This is far less than the more than \$17 per hour that’s needed for a single adult to afford their basic needs. The refundable EITC provision in this bill fails to make up the difference in these wages.

HB2541 stands in the way of a true living wage of \$17, and of a \$15 or more minimum wage, which has been passed by 8 other states and has been given public support by a majority in this chamber, the Senate, and from Governor Ige.

Therefore, we ask that this bill be amended to at least the \$15 wage that has your support, and hopefully to the \$17 that workers need.

Mahalo for your consideration and commitment to working families.



Thursday, January 30, 2020

Senate Bill 2047

Supporting the Intent, with Amendments

Aloha Chairs Johanson and Luke, Vice Chairs Eli and Cullen, and Members of the Labor & Public Employment and Finance Committees,

The Democratic Part of Hawai'i (The Party) **supports the intent of HB2541 and asks for amendments**. The bill makes the state EITC tax credit permanent and refundable. It increases and amends the refundable food/excise tax credit, and raises the state minimum wage to \$13 an hour over four years.

The Party supports the bill's intent and appreciates the work done to this point and very much appreciates the changes made to the state EITC. On this issue, the bill is an undeniable sign of progress for working families.

On the whole, however, we are very much underwhelmed by the remainder of this bill. So too are we disappointed by the swiftness with which it appears to be moving forward; with little time or opportunity to provide the public, the very people for whom the House purports to be eager to help, to provide their input.

We cannot recall a time previously when such urgency and attention has been paid to the minimum wage, or really any "economic justice" proposal. Eagerness should not come at the expense of democratic processes and public input.

With respect to the contents of the bill itself, we appreciate the effort to increase the food/excise tax credit, but cannot fathom why the steps were removed in this draft. The existing tax credit takes graduated steps toward zero as families' incomes rise. The language in this bill would see those steps eliminated in favor of a hard "cliff" that could negatively impact families on the cusp; \$1 over the limit and families get nothing?

The Party asks that the bill be amended to retain the existing step structure for the food/excise tax credit.

It is with great disappointment and consternation that we arrive at the Minimum Wage. The Party and a coalition of community advocates have, since 2018, been calling for a living wage, or a compromise of \$15 an hour. Hearing the concerns of business and the cost of Hawai'i's Pre-Paid Health Care, the coalition even offered a compromise of a bifurcated minimum wage to provide flexibility to small businesses to either pay for an employee's health insurance, or to provide \$15 an hour.

Business didn't budge in their opposition and in the end, at the 11th hour and with no real explanation, that bill died conference.

Now the State's elected leadership are offering \$13 over four years. This figure does not approach the ballpark of what our own Department of Business, Economic Development, and Tourism calls a "self-sufficiency" wage of \$17.36. Not does it come close to the \$19.32 called for by the very ALICE report brandished by business and elected leaders. And what's more, the slow pace of the increase will all but guarantee that same elected leadership won't even entertain proposals to further increase the minimum wage until after the steps spelled out in this bill in 2024.

Hawaii's working families will fall further behind.

In other high-cost cities and states around the country, a \$15 hour is already a reality. The Party believes that not only does this bill not go far enough, but in looking at this proposal, we don't believe families should have much hope for their future in Hawaii. Thus the exodus to the U.S. continent will likely continue.

As such, The Party asks that this bill be amended to increase the minimum wage to \$17 over the same period of time. And to ensure this struggle isn't necessary again and again, we ask that increases beginning in 2025 be pegged to the Consumer Price Index (CPI). We also urge the committee members to eliminate entirely the tip credit.

Please show your support for Hawaii's working families by making these proposed amendments. Four years is far too long for families to have to wait to again have an opportunity to fight for a living wage.

Mahalo for the opportunity to testify,



Josh Frost
Co-Chair, Legislation Committee
Democratic Party of Hawai'i



Zahava Zaidoff
Co-Chair, Legislation Committee
Democratic Party of Hawai'i



HOUSE BILL 2541, RELATING TO HELPING WORKING FAMILIES

JANUARY 30, 2019 · HOUSE LABOR AND PUBLIC
EMPLOYMENT COMMITTEE AND HOUSE FINANCE
COMMITTEE · CHAIR REP. AARON LING JOHANSON
AND CHAIR REP. SYLVIA LUKE

POSITION: Support, with amendments.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports and suggests amendments for HB 2541, relating to helping working families, which makes the state earned income tax credit refundable and permanent; increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawai'i earned income, rather than federal adjusted gross income; and increases the minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

A living wage is a human right. According to the Department of Business, Economic Development, and Tourism, a single adult required an income of \$35,143 to achieve self-sufficiency in Hawai'i in 2018, while a single parent with one child required \$59,428. Adjusted for inflation, DBEDT's reporting shows that in 2020, a single minimum wage worker must earn at least \$17.63 to survive on our shores, a number that rises to \$18.22 for Honolulu. At our current statewide minimum wage rate of \$10.10 per hour, however, a full-time minimum-wage employee earns only \$21,008 annually, \$15,000 less than what's needed to meet her basic needs.

Moreover, Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2019* report found that a full-time worker would need to earn \$36.82/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, **with minimum wage workers needing to log 111 hours per week to afford a modest one-bedroom apartment at fair market value and 146 hours per week to afford a two-bedroom**—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$16.68/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, 63 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income. Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's population dropped by more than 4,700 people, to 1,415,872, from July 2018 to July 2019, when births, deaths, and migration were accounted for. That's the biggest numerical population drop since 2015 and it made Hawai'i one of just ten states in the country to lose population in 2019, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Additionally, as the minimum wage increased to \$10.10/hour over the last four years, our local economy has 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 this measure's effort to uplift working families. To begin, **we wholeheartedly support making our state's Earned Income Tax Credit refundable.** The Hawai'i EITC, established in 2017, provided \$15,282,150 in financial relief to 55,656 taxpayers in 2018, according to DBEDT. Taxpayers claimed an average credit amount of \$275, with roughly 60 percent of claimants earning \$30,000 per year or less. Making the EITC refundable will effectively double its impact, while repealing the credit's current sunset date will ensure that it endures for future generations. Notably, the federal EITC and 23 out of 28 other state EITCs are refundable. Making the EITC refundable will also advance tax fairness for our state's workforce, helping to close the glaring gap in the tax burden paid by Hawai'i's highest and lowest earners. Currently, our most economically disadvantaged populations pay almost 1000 percent more in excise taxes than richer residents as a percentage of their total income, with low-income families paying more in excise taxes on an annual basis than they do in income taxes. Creating a refundable EITC provides a direct tax benefit to these families, who are otherwise left lagging far behind their more affluent neighbors in terms of tax equity.

We also **support increasing the refundable food/excise tax credit, though we ask you to consider keeping the progressive, phased structure of the current credit in place.** Hawai'i's high cost of food is a primary driver of our high cost of living. Currently, the food/excise tax credit maxes out at \$110 per household member for the lowest-income families, gradually phasing out as income levels escalate. It also provides higher income eligibility limits for married and head of household (for example, single parent) tax filers than for single filers. This measure would raise the maximum credit level to \$150 per qualified exemption, applied to any household that earns \$30,000 or less per year. As financial experts attest, phasing out tax credits is considered sound policy in order to avoid tax "cliffs," in which credits are lost when an individual or family earns one dollar more than the income eligibility limit prescribes. We also request that you maintain the \$50,000 annual income eligibility limit for married and head of household tax filers, currently

contained in state law. Hawai'i Department of Taxation officials recently reported that 41,100 households with annual incomes between \$30,000 and \$59,999 claimed the food/excise credit in 2017. If the income threshold is lowered, tens of thousands of low- to moderate-income families will lose the tax relief that they are currently afforded by the food/excise tax credit.

Finally, we suggest **amending this measure to phase in a minimum wage increase to \$17 over five years in \$1.00 increments or, alternatively, gradually increasing the minimum wage to \$13.00 in \$1.50 increments by 2022, rather than 2024.** Hawai'i's current minimum wage, adjusted for inflation, amounts to merely \$8.52, which is far below what's needed to survive, much less thrive, on our shores. In fact, the eight states (including Washington D.C.) with the highest cost of living other than Hawai'i—New York, California, New Jersey, Maryland, Connecticut, Massachusetts, Washington, and the District of Columbia—have all passed laws to raise their minimum wages to at least \$15 over the next five years. We should follow suit by providing economic justice to the hardworking families that form the heartbeat of our economy, whose financial situation becomes more precarious with each passing year.



Progressive Democrats of Hawai'i

<http://pd-hawaii.com>

PO Box 51 Honolulu HI 96810

email: info@pd-hawaii.com

January 28, 2020

To: HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Representative Aaron Ling Johanson, Chair
Representative Stacelynn K.M. Eli, Vice Chair

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

Re: HB 2541, **Relating to Working Families**
Hearing: Thursday, January 30, 2020, 9:00 a.m., Room 309
Position: **Support EITC portion; support increase of minimum wage to at least \$15.00/hour**

Aloha Chairs Johanson and Luke, Vice Chairs Eli and Cullen, and Members of the Committees,

Progressive Democrats of Hawai'i strongly urge you to support those aspects of HB 2541 that will strengthen the provisions of Hawaii Revised Statutes §235-55.75 to make the Earned Income Tax Credit refundable, but to increase the provisions of this bill that would increase the minimum wage from \$11.00 as of January 1, 2021 to \$13.00 per hour as of January 1, 2024, to at least \$15.00 per hour as of January 1, 2021 to \$17.00 per hour as of January 1, 2024.

The living wage in Hawaii is at least \$17.00 per hour right now. No worker deserves to live in poverty. It costs more than \$17.00 per hour for a full-time worker to live in Hawaii 8 states, all with lower costs of living, have passed a \$15 minimum wage into law. Moreover, a majority of Hawaii's legislators have already publicly supported at least a \$15 minimum wage. It is time to translate this public support into legislation.

Thank you for the opportunity to testify.

Alan B. Burdick, Co-Chair
Progressive Democrats of Hawai'i
Burdick808@gmail.com 486-1018



Environmental Caucus The Democratic Party of Hawai'i

January 29, 2020

Re: **HB2541 Relating to Helping Working Families**

Hearing: Thursday, January 30, 2020 9:00am

Position: **Support with Suggested Amendment to Minimum Wage**

Aloha Chairs Johanson & Luke, Vice Chairs Cullen & Eli, and the members of the Labor and Public Employment and Finance Committees,

The Environmental Caucus of the Democratic Party of Hawai'i strongly supports the 2018 Platform of the Democratic Party of Hawai'i that calls for us to "support strong labor practices, good jobs and a living wage" and "support measures to drastically reduce income and wealth inequality".

These principles are further supported by the Green New Deal – Hawai'i committee that calls for us to "expand access to health, housing and education, ensuring justice and equity for Hawai'i's citizens".

We know that Hawai'i has the highest cost of living in the country and we need to do all we can to ensure a quality life for those living here. To that end we are in support of HB2541 in that it will make the EITC refundable and permanent, bringing us in line with other high cost-of-living states.

We support the amendment to the refundable food excise tax credit to base the amount of the credit on the tax payer's Hawai'i earned income and not the federal AGI.

We support an increase of the minimum wage to a living wage. The math shows us that \$13/hour while a laudable effort, will not get us there. Please consider that **the A.L.I.C.E Report (referenced in the press conference to discuss this bill), found in 2015 (5 years ago) that two earners needed a combined income of \$38.64/hour just to survive as a family.**

We know you care and want to do your best for Hawai'i's working families and as such, **please set a minimum wage of at least \$17/hour.**

For your reference as to what the requirements are for a minimum wage job, I submit the following description from this morning's Craigslist:



Environmental Caucus The Democratic Party of Hawai'i

Porter/Customer Service Rep (Kailua Kona)
NOW HIRING KONA Airport

No experience necessary – on the job training
Must be 18 yrs or older
Able to pass a 10 yr background check
Can lift 50 lbs or more without issues
(no injuries or surgeries in the past 5 yrs)
can stand/walk for more than 5 hours
high school diploma
Hourly wage of \$10.10
We offer a friendly environment with a professional staff

Please think about all the people you pass on your travels that are doing this job, lifting 50 lb. bags multiple times per day, standing and walking for over 5 hours, spotless records, and health histories. Don't they deserve a living wage? What might happen to the tourism industry or commerce in general were there no one left in the state willing or able to do these jobs? We need to value the lives of all of our residents and we can do that by providing them a living wage.

Mahalo for your consideration,

Lana Olson
Chair,
Environmental Caucus of the Democratic Party of Hawai'i (ECDPH)

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
LABOR & PUBLIC EMPLOYMENT AND THE COMMITTEE ON FINANCE

RE: HB 2541 - RELATING TO HELPING WORKING FAMILIES

THURSDAY, JANUARY 30, 2020

MITZIE HIGA, LEGISLATIVE CHAIR
DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Johanson, Chair Luke, and Members of the Committees:

The Democratic Party of Hawaii Labor Caucus supports HB 2541 with the suggested amendments, relating to helping working families.

The Labor Caucus supports the first part of this bill that would make the earned income tax credit refundable and permanent. We also support raising minimum wage. However, we believe it should be raised higher. 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 currently will only increase the minimum wage to \$13 by 2024. According to DBEDT, Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to "meet their basic needs" in 2020. HSTA urges the legislature **to amend the language to raise the minimum wage to \$17 by 2025, 6 steps to reach \$17 by 2025, as we suggested last year.**

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.

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.



To: Hawaii State House of Representatives Committee on Labor & Public Employment
Hearing Date/Time: Tues., Jan. 30, 2020, 9:00 a.m.
Place: Hawaii State Capitol, Rm. 309
Re: Testimony of Hawaii Women's Coalition in support of H.B. 1701

Dear Chair Johanson and Members of the Committee,

The federal EITC is refundable, as are 23 of the other 28 state EITCs. However, two-thirds of the working families who are eligible for Hawaii's EITC are not benefitting from it because it is not refundable. Meanwhile, Hawaii places the second-heaviest state and local tax burden on low-income households in the nation, according to the Institute on Taxation and Economic Policy.

The EITC refund Bill HB2056 is designed to help low-income and working-class families with children keep more of what they earn. Making the Hawaii EITC refundable would greatly assist a larger number of families in need. The type of households in Hawaii that are most likely to live in poverty are those with children under 18 and headed by single mothers—more than one in three are poor, according to the Institute for Women's Policy Research.

Research shows that the EITC is especially beneficial to women and children. According to the National Women's Law Center, "The EITC is particularly important to women, who typically earn less than men and are more likely to bear the expenses of raising children on their own."

The Center on Budget and Policy Priorities concluded that "the EITC reduces the number of female-headed households receiving cash welfare assistance ... The EITC may also improve the health of infants and mothers."

An analysis by the Federal Reserve Bank of New York found that the "EITC is successful in helping single women climb the wage ladder."

The Congressional Budget Office states that the "EITC leads to an increase in the share of less-educated women that will be eligible for Social Security retirement benefits and leads to an increase in their monthly benefit amount. Thus, the existence of the EITC contributes to the financial security of affected women as they age and retire."

As substantially supported by the above mentioned research, Hawai'i Women's Coalition stands behind this bill.

Sincerely,
Hawaii Women's Coalition



Josh Frost - President • Patrick Shea - Treasurer • Kristin Hamada
Nelson Ho • Summer Starr

Wednesday, January 29, 2020
Relating to Helping Working Families
Testifying in Support with Amendments

Aloha Chairs and members of the committees on Labor & Public Employment and Finance,

The Pono Hawai'i Initiative (PHI) **supports with amendments HB2541 Relating to Helping Working Families**. This measure makes the state earned income tax credit (EITC) permanent and refundable. The bill also would increase and amend the refundable food/excise tax credit and phase in an increase to the minimum wage to \$13 an hour by 2024.

PHI supports the intent of the bill and thanks the Committees for this opportunity to testify and work together to create an even stronger measure for the people of Hawai'i. PHI supports the changes that HB2541 will make to the State EITC but the rest of the bill seems to fall short.

The existing language regarding the food/excise tax credit in this measure will create too harsh a line for families on the cusp. **PHI requests that the bill be amended to retain the existing step structure for food/excise tax credit.**

The next section of the bill effects minimum wage and seems to be a step back from last session, containing an increase to a mere \$13 an hour by 2024. This would be laughable if it wasn't so frustrating and disappointing for working families that are living paycheck to paycheck. Community advocates as well as the Democratic Party of Hawai'i have been calling for an increase compromise of \$15 an hour since 2018. Why have we now gone backwards? The Hawaii Department of Business, Economic Development and Tourism has stated that a person needs to make \$17 an hour just to survive. When the press releases were put out by the Senate, House and Governor mentioning the ALICE report and the economic hardships faced by working individuals and families in Hawai'i, the point of that report seems to be missed. According to the report, after allocating monies to pay for expenses such as housing, childcare, food, taxes, healthcare and transportation, a family of four needs to earn roughly \$77,000 a year simply to survive. That would break down to \$38,500 per parent. \$13 an hour, working 40 hours a week, 52 weeks a year (meaning no vacation) comes out to only \$27,040 – almost \$10,000 short of what would be needed to survive. As Speaker Saiki said, "Every dollar counts when you are trying to stretch each paycheck just to meet basic needs."

Hawaii's working families deserve better. They deserve to be able to survive working one fulltime job. **PHI requests that HB2541 be amended to increase the minimum wage to \$17 an hour by 2024. Additionally, we request that increases beginning in 2025 be tied to the Consumer Price Index (CPI) and that the Committees eliminate the tip credit entirely.**

Please support the working families and lets truly work to end Hawaii's cycle of poverty. PHI urges you to pass HB2541 with the amendments stated above.

For all these reasons, we urge you to move this bill forward.

Mahalo for the opportunity,
Gary Hooser
Executive Director
Pono Hawai'i Initiative



Josh Frost - President • Patrick Shea - Treasurer • Kristin Hamada
Nelson Ho • Summer Starr

Wednesday, January 29, 2020
Relating to Helping Working Families
Testifying in Support with Amendments

Aloha Chairs and members of the committees on Labor & Public Employment and Finance,

The Pono Hawai'i Initiative (PHI) **supports with amendments HB2541 Relating to Helping Working Families**. This measure makes the state earned income tax credit (EITC) permanent and refundable. The bill also would increase and amend the refundable food/excise tax credit and phase in an increase to the minimum wage to \$13 an hour by 2024.

PHI supports the intent of the bill and thanks the Committees the opportunity to testify and work together to create an even stronger measure for the people of Hawai'i. PHI supports the changes that HB2541 will make to the State EITC but the rest of the bill seems to fall short.

The existing language regarding the food/excise tax credit in this measure will create too harsh a line for families. **PHI requests that the bill be amended to retain the existing step structure for food/excise tax credit.**

The next section of the bill effects minimum wage and seems to be a step back from last session, containing an increase to a mere \$13 an hour by 2024. This would be laughable if it wasn't so frustrating and disappointing for working families that are living paycheck to paycheck. Community advocates as well as the Democratic Party of Hawai'i have been calling for an increase compromise of \$15 an hour since 2018. Why have we now gone backwards? The Hawai'i Department of Business, Economic Development and Tourism has stated that a person needs to make \$17 an hour just to survive. When the press releases were put out by the Senate, House and Governor mentioning the ALICE report and the economic hardships faced by working individuals and families in Hawai'i, the point of that report seems to be missed. According to the report, after allocating monies to pay for expenses such as housing, childcare, food, taxes, healthcare and transportation, a family of four needs to earn roughly \$77,000 a year simply to survive. That would break down to \$38,500 per parent. \$13 an hour, working 40 hours a week, 52 weeks a year (meaning no vacation) comes out to only \$27,040 – almost \$10,000 short of what would be needed to survive. As Speaker Saiki said, "Every dollar counts when you are trying to stretch each paycheck just to meet basic needs."

Hawaii's working families deserve better. They deserve to be able to survive working one fulltime job. **PHI requests that HB2541 be amended to increase the minimum wage to \$17 an hour by 2024. Additionally, we request that increases beginning in 2025 be tied to the Consumer Price Index (CPI) and that the Committees eliminate the tip credit entirely.**

Please support working families and lets truly work to end Hawaii's cycle of poverty. **PHI urges you to pass HB2541 with the amendments stated above.**

For all these reasons, we urge you to move this bill forward.

Mahalo for the opportunity,
Gary Hooser
Executive Director
Pono Hawai'i Initiative



**Testimony to the House Committees on Labor & Public Employment and on Finance
Thursday, Jan. 30th, 2020 at 9:00am
Conference Room 309, State Capitol
RE: HB2541 Relating to Helping Working Families**

Position: Comments

Members of the Labor and Finance Committees:

Full-time workers need at least \$17 per hour in order to afford their basic needs, and raising the minimum wage to that level or higher is necessary to ensure they are paid a sufficient wage. HB2541 does not offer that, nor does it put us on the path to a living wage.

Blocking a final vote on at least a \$15 minimum wage is undemocratic

Governor Ige and a majority of House and Senate members have campaigned on and publicly supported the Democratic Party's platform priority of raising the minimum wage to at least \$15 per hour. Refusing to bring a \$15 minimum wage bill to a final vote for a third straight year is undemocratic and a betrayal of these campaign promises. As workers need \$17 or more just to survive, this bill needs to be amended to \$15 at the bare minimum, and given to Governor Ige to sign into law. 8 states--all with lower costs of living than Hawaii--have passed a \$15 minimum wage, Hawaii needs to do at least the same.

The 27 House members that publicly support at least a \$15 minimum wage:

District 2 - Chris Todd
District 5 - Richard Creagan
District 6 - Nicole Lowen
District 7 - Dru Kanuha
District 8 - Troy Hashimoto
District 10 - Angus McKelvey
District 11 - Tina Wildberger
District 14 - Nadine
Nakamura
District 16 - Dee Morikawa

District 20 - Calvin Say
District 22 - Tom Brower
District 23 - Dale Kobayashi
District 28 - John Mizuno
District 29 - Daniel Holt
District 30 - Romy Cachola
District 31 - Aaron Johanson
District 32 - Linda Ichiyama
District 35 - Roy Takumi
District 37 - Ryan Yamane

District 38 - Henry Aquino
District 39 - Ty Cullen
District 44 - Cedric Gates
District 46 - Amy Perruso
District 47 - Sean Quinlan
District 48 - Lisa Kitagawa
District 49 - Scot Matayoshi
District 51 - Chris Lee

The tax credits don't make up the difference

The difference between \$13 per hour and \$15 per hour is more than \$4,000 per year for full-time workers. Compared to the \$17 per hour that workers need to afford their basic needs, the difference is over \$8,000. However, workers that will benefit from the refundable EITC provision in this bill will receive less than \$600 in additional funds. As a result, this bill will leave working families impoverished and worse off than a bill that raises the minimum wage to at least \$15 per hour.

HB-2541

Submitted on: 1/28/2020 2:44:35 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc. - www.WeAreOne.cc - WAO	Comments	No

Comments:

Support living wages now.

\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.

Mahalo

www.WeAreOne.cc



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS	DIRECTORS			MAILING ADDRESS
John Bickel, President	Melodie Aduja	Chuck Huxel	Stephen O'Harrow	P.O. Box 23404
Alan Burdick, Vice President	Juliet Begley	Jan Lubin	Lyn Pyle	Honolulu
Marsha Schweitzer, Treasurer	Ken Farm	Jenny Nomura		Hawai'i 96823
Doug Pyle, Secretary	Stephanie Fitzpatrick	Dave Nagaji		

January 28 , 2020

TO: Honorable Chairs Johanson and Luke & LAB/FIN Committee Members

RE: HB 2541 Relating to Helping Working Families

Support for hearing on Jan. 30

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 HB 2541 as it would make the state earned income tax credit refundable and permanent and would increase and amend the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income.

We support an increase in the minimum wage, but 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 1/2 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.

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





49 South Hotel Street, Room 314 | Honolulu, HI 96813
www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT
COMMITTEE ON FINANCE
Thursday, 1/30, 9:00 am, Room No. 309

HB2541, RELATING TO HELPING WORKING FAMILIES
TESTIMONY
(Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii)

Chairs Ling Johanson and Luke, Vice-Chairs Eli and Cullen, and Committee Members:

The League of Women Voters of Hawaii supports the first two sections of this bill, which 1) makes the state EITC permanent and refundable; 2) bases the food/excise tax credit on taxpayer's earned income and increases this credit; we support the intent of section 3) which makes a very modest increase in the state minimum wage, but propose amendment to increase the anticipated amount in 2024.

RE: EITC

Due to Hawaii's regressive General Excise Tax, and the fact that even the poorest earner must pay income tax in Hawaii, the lowest income working families here pay more in total taxes than in all but one other state. The 2017 legislature, to its credit, created Hawai'i's EITC, which can provide much-needed relief to working families with very low incomes.

However, this benefit will expire January 1, 2023. There is no reason for this sunset date: as this date approaches, Hawaii's EITC could stop one of the benefits demonstrated for EITC, i.e. motivating women to join the work force, which benefits the state as well as themselves and their families.

HB2541 provides an opportunity to provide relief to the very poorest working households, those who owe in taxes less than the amount which the EITC would waive for them. HB2541 would give to these struggling families the difference between their state income tax bill and their state EITC. The amounts of money are small, but at the income levels we are talking about the "refunded" EITC would relieve some of the intense economic pressure these families are under.



49 South Hotel Street, Room 314 | Honolulu, HI 96813
www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

The fact that these families are supported by a working family member makes an even stronger case for supporting them. One can imagine the immediate uses for this - clothing, appliance repair, school supplies, a bus pass..... it would make a real difference.

As a side benefit, this spending would help businesses as consumer spending would increase.

Please pass HB2541 and give the full EITC benefit to our poorest working families and one they can count on continuing to receive.

RE: Food/Excise Tax Credit

HB2541 removes a painfully limiting schedule tying the food/excise tax credit amount to finely graduated differences in income. At the income levels considered, the differences are manini. The change simplifies and improves the existing Section 235-55.85, HRS, thus somewhat increasing the credit for most low income taxpayers.

RE: Minimum Wage

HB2541 acknowledges the inadequacy of the current minimum wage, and makes a very modest improvement in it, ending in \$13/hour in 2024. This increase is totally inadequate when we know that in order to afford a bare minimum standard of shelter, food, health care, and transportation (think no car, one bus pass per adult), someone who works full time needs to earn \$17/hr.

I hope this committee will amend this section of HB2541 to truly address the dire poverty of the many hard workers in our state who earn only the minimum wage. The minimum wage needs to rise rapidly to \$17/hour because as each year of gradual increases goes by, inflation will eat away at the pay rate until by 2024 or 2025, \$17 will almost certainly not provide a barely livable wage.

Please pass HB2541 with sections 1 and 2 as proposed, and a strongly amended section 3.

Thank you for the opportunity to submit testimony.

HB-2541

Submitted on: 1/28/2020 4:04:57 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeffrey Byron Werle	Kona Alano Club	Support	No

Comments:

It's pretty obvious most have to work 2 jobs to make ends meet. More consistent income means less substance abuse means less homeless.

It's not rocket science. It's competing with inflation.

Mahalo.

J*

HB-2541

Submitted on: 1/28/2020 6:51:11 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lawrence S Franco	Stand Up Maui	Support	No

Comments:

I approve the increase in the minimum wage, but I disagree that the raise should be only to \$13.00 by 2025. With so many households one wage from homelessness and the cost of living to be so high in Hawaii, we should be creating a minimum wage from \$10.10 today to \$17.00 by 2025. If we cannot do this because of claims by business interests that they will go out of business, I wonder if business interests are advising their workers to apply for welfare and food stamps to make ends meet. It is a shame that we can not properly pay our workers a living wage. Every day without adequate pay we are forcing our people to leave their home (Hawaii) to relocate to more suitable place to have adequate income to live. Shame!

Let us work together to change our minimum wage to \$17.00 per hour by 2025.

Thank you.

Stan Franco

Life Longing Resident of Maui, Hawaii

HB-2541

Submitted on: 1/28/2020 11:30:16 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Patricia Bilyk	Breastfeeding Hawaii	Support	No

Comments:

Breastfeeding Hawaii

PO BOX 4270 Kaneohe HI 96744

TO: Rep. Aaron Ling Johansson, Chair. Rep. Stacelynn K. M. Eli, Vice Chair

Members of Committee On Labor and Public Employment

Rep. Sylvia Luke, Chair. Rep. Ty J. K. Cullen, Vice Chair

Members of Committee on Finance

FROM: Patricia L. Bilyk, RN, MPH, MSN, IBCLC (Ret)

RE: HB 2541 Relating to Helping Working Families

DATE: January 30, 2020 9:00am. Room 309

Good Morning! Thank you for the opportunity to provide testimony in support of the intent of HB 2541, yet we feel it falls short of the goal to help working families. We offer some amendments.

Breastfeeding Hawaii is a non profit 501c3 organization who supports, protects and promotes breastfeeding in the State of Hawaii. We work actively with breastfeeding working women and their families regarding their decisions to return to the workplace because their incomes are needed for the family as a whole. Three out of five minimum wage workers in Hawaii are women.

Breastfeeding Hawaii feels the refundable credits cited in the Bill will help working families somewhat but it cannot make up for a true living wage.

The Bill offers a minimum wage of \$11/hr in 2021 increasing to \$13/hr by 2024. Recent local data cites that a single individual working full time has to make at least \$17.63/hr

to make ends meet in Hawaii's economy. Also of all the states with high living expenses, our wage of \$10.10 or your proposed \$13 by 2024, would still be the lowest in the Nation! Not a very compassionate, pro working families stance for our State! The amount proposed would not provide a livable wage or even keep up with inflation. Therefore we recommend \$18/hr by 2025 with at least a \$1.50 increase each year.

Please consider our suggestions to TRULY help and support the working families and specifically the minimum waged (often primary breadwinner of their family)women in Hawaii!

HB-2541

Submitted on: 1/28/2020 7:58:05 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Field	Planned Parenthood Votes Northwest and Hawaii	Support	No

Comments:

House Committee on Public Employment
House Committee on Finance
January 30, 2020 at 9:00 am
State Capitol Room 309

Supporting HB 2541 with an amendment

Chairs Johanson and Luke and Members of this morning's joint committee:

I am the Rev. Samuel L Domingo, Co-chair with the Rev. Neal MacPherson of Faith Action's Task Force on Living Wage.

Faith Action for Community Equity is a coalition of religious and community organizations driven by deep spiritual commitment to improve the quality of life for all the people of Hawaii by addressing the root causes of social justice challenges.

I am here to affirm Faith Action's commitment with my testimony to support HB 2541 but want to offer an amendment to raise the minimum wage to \$17/hr. by 2024.

The Democratic Leadership in partnership with the Governor has presented a package of bills that offer our citizens especially those making minimum wage some relief. To make the Earned Income Tax Credit refundable and permanent is a long-awaited move. And to increase the food/excise tax credit will help. However, raising the minimum wage to \$13/hr. by 2024 truly missing the mark, especially when Hawaii is the most expensive state to live in and that many states and municipalities across the nation have already passed legislation to \$15/hr.!!!!

In religious parlance, the concept of sin offers us a guide. The Greek word in the NT for sin is hamartia, which translated into English is to miss the mark. The word is descriptive and offers an invitation to look for improvement. Thus, to say one misses the mark provides incentive to do better and to hit the mark the next time. The invitation is to offer you the opportunity to place yourselves in a better position to hit the mark. I suggest that you align yourselves more so that who stands before you are our workers and not the titans and captains of industry. To do so you will demonstrate your oath of office to serve the people of our state with special attention given to working families.

Mahalo and Aloha

HB-2541

Submitted on: 1/28/2020 9:36:25 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Neal MacPherson	Faith Action for Community Equity	Support	Yes

Comments:

HB-2541

Submitted on: 1/28/2020 4:38:21 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jasmine Bostock	Faith Action	Support	No

Comments:

Aloha, My name is Rev. Jasmine Bostock and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.



Evelyn Hao
President

Rev. Won-Seok Yuh
Vice President-
Clergy

William Bekemeier
Vice President-
Laity

Jon Davidann
Treasurer

Deanna Espinas
Secretary

Ashleigh Loa
Acting Executive
Director

Soo San Schake
Assistant
Director

House Committee on Labor and Public Employment
House Committee on Finance
January 30, 2020 at 9:00 a.m.
State Capitol Room 309

Supporting HB 2541 with an amendment

Faith Action for Community Equity is a coalition of religious and community organizations driven by a deep spiritual commitment to improve the quality of life for all of the people of Hawaii by addressing the root causes of social justice challenges.

Thirty-seven percent of individuals and families in Hawaii are employed but have incomes that are so low that they cannot afford the basic necessities, which include housing, food, transportation, health care, and child care. That is a conclusion of a report commissioned by Aloha United Way, entitled, "ALICE: A Study of Financial Hardship in Hawaii." ALICE is an acronym for Asset Limited, Income Constrained, Employed. Another 11% of Hawaii's residents live below the poverty level. In total, 48% of Hawaii's population is ALICE and below.

All working people should earn a living wage, which is the amount that someone needs to earn to support themselves and their family if they are working full time. Hawaii's living wage has been determined to be \$17/hour, whereas Hawaii's minimum wage is only \$10.10/hour.

HB 2541 would increase the minimum wage to \$13/hour by 2024, but that is not enough, even with the tax credits contained in the bill. The minimum wage should be raised to \$17/hour.

Some people believe that increasing the minimum wage would result in higher unemployment. However, the Institute for Research on Labor and Employment at the University of California at Berkeley conducted a study of the effects of increasing the minimum wage nationally to \$15/hour. The study concludes that the number of jobs would be increased slightly -- not reduced. The study also concludes that although a higher minimum wage would result in slightly higher prices, it would also reduce worker turnover, increase worker purchasing power, and increase consumer spending, which drives the economy.

The benefits of increasing the minimum wage are not all theoretical. In Hawaii the minimum wage increased by steps from \$7.25 in 2014 to \$10.10 in 2018. During those four years Hawaii saw a 6.4% increase in small businesses, and the number of restaurant server positions increased by 20%.

In 2018 the Democratic Party passed a living wage resolution. The Governor, 17 State Senators, and 27 State Representatives agreed with the resolution.

Faith Action for Community Equity supports HB 2541 with an amendment that would increase the minimum wage to \$17/hour by 2025.

HB-2541

Submitted on: 1/28/2020 6:54:32 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ashleigh Loa	Faith Action for Community Equity	Support	No

Comments:

Aloha, My name is Ashleigh Loa and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/29/2020 8:30:08 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Won-Seok Yuh	Faith Action for Community Equity	Support	No

Comments:

I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/29/2020 8:26:24 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carla Allison	Faith Action for Community Equity	Support	No

Comments:

Aloha, My name is Carla Allison and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

â€œâ€œâ€œâ€œâ€œâ€œâ€œâ€œ

HB-2541

Submitted on: 1/29/2020 8:22:01 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kekoa Digmon	Faith Action	Support	No

Comments:

I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/29/2020 2:31:40 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jansen Santos	Faith Action For Community Equity	Support	No

Comments:

Aloha! My name is Jansen and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, by the way it needs to be amended to increase the minimum wage to \$17.00/hr by 2025. Another way to say living Aloha is living in harmony with its environment and resources. How can we live in harmony with our environment and resources when the wages is lower than the cost of living. \$13/hr is not enough we need to not just follow other states by their already passed minimum wage increases to \$15/hr. We know better our Ai-na and we do what is right. Please pass a Living Wage of \$17.00 and hour by 2025.

HB-2541

Submitted on: 1/29/2020 12:22:06 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Nelson	Faith Action for Community Equity	Support	No

Comments:

My name is Elizabeth Nelson and I am testifying in support for amending HB 2541. 47% of families in Hawaii are barely making ends meet. I feel passing a Living Wage bill this session is crucial. A majority of legislators have already shared their support with a bill passing both chambers and making it to conference last session.

And DBEDT has stated a Living Wage in Hawaii in 2020 would be \$17.63/hr. I am asking for your support in passing a Living Wage bill of \$17/hr. by 2024. It is time to support the very hard working people of this state, so they no longer have to work 2 and sometimes 3 jobs to survive.

Thank you very much

HB-2541

Submitted on: 1/29/2020 12:32:31 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert H Stiver	Faith Action for Community Equity	Support	No

Comments:

Support for Amending HB2541, Relating to Helping Working Families

Aloha, My name is Robert H. Stiver, and I make this testimony as a member of Faith Action for Community Equity (my home church is Trinity United Methodist, Pearl City). I write in general concurrence with this bill -- but it needs to be amended to increase the minimum wage to \$17 an hour by 2025 or earlier. With 47 percent of families in Hawaii barely making ends meet, \$13 an hour is far from enough to offset Hawaii's high cost of living. It is time for Hawaii to follow the lead of other mainland states that have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave our islands.

I am moved to address in this testimony a Star-Advertiser op-ed of August 8th, 2019, by Ron Mizutani, President and CEO of the Hawaii FoodBank. (I have retained a copy of it, and I'm sure it can be accessed via "Island Voices" archival retrieval.) In the op-ed, CEO Mizutani writes compellingly of the HFB's his linkage with Bank of Hawaii along lines of the op-ed's title "To improve Hawaii's health, good food must be accessible." My first takeaway from the op-ed was a personal determination that I would never again respond to an outreach for food by casually tossing a case of Vienna sausage in the container. Then, during a Faith Action meeting, the then-Executive Director Christy MacPherson and I bounced back and forth several ideas that we thought could be termed "big-picture thinking outside the box" and that we ultimately came to term, collectively, "Food Security." These positive implications of "Food Security" gave us "food for thought" to be expressed in just such a forum as this testimony. To wit, just consider, as I conjoin the concept of "living wage to "food security" (surely there are others I'll not address):

--Food security will mean mothers able to use their "living wages" to buy healthy veggies, lean meat, luscious fresh fruits and delicious low-cal desserts for themselves and their families.

--Obesity (and the dreaded sooner-or-later diabetes) will be lowered immediately and dramatically!

--The mothers, dads, infants, student kids (also kupuna grandparents living at home) will "fill up" their stomachs with digestible food that will inure directly to organ health, better elimination of wastes, long and graceful life, etc.

--The student kids will be able to sleep better, not to mention moms and dads.

--The student kids will be more alert and learn better at school.

--Society will be better off with educated, rested, healthy kids and young adults.

--Better-rested parents will be able to provide more tender love and care to their children, with dramatically improved child happiness and contentment as they transition into puberty and adulthood.

--The moms and dads will be able to utilize their living-wage salaries for better things than adverse-health-related trips to doctors and clinics (and dentists!).

--The moms and dads will be able to better weather our horrendous traffic commutes because their bodies and psyches will be more balanced and stable, less fatigued.

--Less road rage!

--Less stress on overworked traffic cops, able to divert law-enforcement duties to public safety and security.

--Beleaguered health-industry EMTs, ER, primary docs, buildings et al will be less stressed.

--"One job should be enough" will be realized through better attention and results, for both management and employees, at work.

--Better results at work mean higher productivity and a better position for the U.S. in the competitive global marketplace.

All these and surely more will prove to be "win-win" measures in which a combination of food health and a living wage will lift up all of us in our Hawaii!

Please pass a Living Wage of at least \$17 an hour by 2025 or sooner.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/28/2020 10:31:46 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Midwives Alliance of Hawaii	Midwives Alliance of Hawaii	Support	No

Comments:

We support this bill with the amendment to raise the minimum wage to \$17.50. We support a living wage.

Testimony Supporting HB2541
House Committee on Finance
January 30, 2020 at 1:30pm in Conference Room 309

Aloha:

My name is Rev. David Baumgart Turner, and I am the pastor of Church of the Crossroads, Hawaii's first intentional multi-ethnic congregation, founded in 1923. I testify in support of HB2541 with an amendment to increase the minimum wage to \$17 an hour for the following reasons:

With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour.

I urge the committee to pass this bill with this amendment.

Aloha,
Rev. David Baumgart Turner
Pastor – Church of the Crossroads 1212 University Avenue / Honolulu, HI 96826

HB-2541

Submitted on: 1/28/2020 9:18:17 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Kawamoto	Individual	Support	Yes

Comments:

About half of Hawaii's population have incomes that are below what is needed to purchase the necessities of life, which include housing, food, clothing, health care, and child care. In the richest nation on earth, it is distressing that so many of our neighbors are forced to decide which necessities they will do without.

A living wage in Hawaii has been determined to be \$17/hour, whereas the minimum wage is only \$10.10/hour. This bill proposes an increase to \$13/hour, but that is far from adequate. Even with the tax credits created by the bill, Hawaii's minimum wage should be raised to \$17/hour.

There are those who criticize any increase in the minimum wage. They present theory upon theory about why an increase in the minimum wage would harm the economy. But there is actual historical data showing the effect the previous minimum wage increase had on Hawaii's economy.

From 2014 to 2018 Hawaii's minimum wage increased in four steps, from \$7.75/hour to \$10.10/hour, a total increase of about 30%. During that same period Hawaii's economy did not contract. In fact, it expanded. The gross state product measures the value of all the goods and services produced in a state. Hawaii's gross state product increased from \$77.9 billion to \$93.8 billion, an increase of about 20%. Today, Hawaii's economy continues to grow, and the Department of Business, Economic Development, and Tourism projects further economic growth in the coming year.

The unemployment rate is another factor that is used to determine the health of an economy. When an economy is healthy, the unemployment rate is low. During the four-year period when the minimum wage increased, Hawaii's unemployment rate decreased from 4.7% to 2.3%, a reduction of about 50%. Since then, the unemployment rate has increased a bit, to 2.6%, but that is still very low.

Historical data show that an increase in the minimum wage did not harm Hawaii's economy. In fact, an increase in the gross state product and a reduction in the unemployment rate are correlated with an increase in the minimum wage.

Too many of Hawaii's families are struggling financially. The bill should be amended to increase the minimum wage to \$17/hour.

January 1/28, 2020

TO: House Committees on Labor and Finance

RE: Testimony offering comments on HB2541

Dear Representatives,

I urge the committees to amend HB2541 to increase the Hawai'i State minimum wage from \$10.10 to no less than \$17, incrementally, over the course of five years. Hawai'i's hardworking families already need more than \$17 an hour to survive in 2020. The current proposal of \$13 by 2024 is, therefore, grossly inadequate to meet the dire need of so many of your constituents.

Considering the existence of the legislative package that was announced by both chambers before the start of session, it is clear that this legislature, and the governor, recognizes that the situation for Hawai'i's working families has gotten so bad that it can no longer be ignored. Unfortunately, for every day that we have thus far failed to take serious action to address the dangerous level of wealth and income inequality in this state, our problems have gotten worse, and people have suffered as a result.

Last year, people from all walks of life across the State of Hawai'i presented this legislature with hundreds—if not thousands—of pieces of testimony over the course of the 2019 session urging lawmakers to raise the minimum wage. The level of commitment from the public to participate in an increasingly opaque civic process was unusually high and speaks to the grim nature of the socioeconomic situation here.

And yet, despite desperate calls for action, despite ample data and clear and convincing evidence to show that a minimum wage that allows workers to be self-sufficient—a living wage—boosts both the standard of living of struggling workers and the overall output of our consumer-based economy, and despite the clear evidence that phasing in these increases incrementally, over time, does not cause either layoffs or business closures at noticeably higher rates than normal, the legislature failed to pass a minimum wage increase of any kind.

Such failure cannot be allowed to happen again. It is heartening, therefore, to see that leadership intends to establish a minimum wage increase, as well as expand the Earned Income Tax Credit, through this bill.

However, by the year 2024, \$13 an hour will lose more than a dollar's-worth of purchasing power to inflation. Costs—especially housing—will continue to rise, at least until we are able to build enough housing at less than 60 percent area median income to meet demand. \$13 an hour—\$27,000— isn't enough to live on now. It certainly won't be enough to live on in 2024. And meanwhile, more and more working age adults are leaving Hawai'i, either to seek better prospects in a place that values workers, or simply because they can no longer afford to live here. Far too many of them are young and bright. Far too many of them are Native Hawaiian. All of them have something to offer Hawai'i that we are now missing out on.

With 300,000 people over the age of 65 in the State of the Hawai'i as of this year, we are hurtling toward an untenable situation in which there will not be enough working age adults in Hawai'i to power our economy, take care of our kupuna, and start families of their own here. We need to keep young, local, working-age people here, rooted to their home, able to build lives for themselves. This is not simply a matter of good economic policy, it is also a matter of societal health, and—for Kanaka Maoli—it is a matter of justice too.

Half measures, therefore, will simply not be enough. We need genuine economic justice, and we need it now.

We need minimum wage workers just as much as we need other kinds of workers. More than 90 percent of minimum wage workers are older than age 20, and many of them are parents. More than 40 percent of them have been to college. There are 88,000 minimum wage earners in the State of Hawai'i. If you add in the other low-wage workers who make less than \$17 an hour—the bare minimum survival wage in 2019 according to the State Department of Business, Economic Development and Tourism—we are now talking about 250,000 workers in Hawai'i. That's more than a third of our entire workforce. We need those workers to be healthy and, yes, happy. All of them, no matter how skilled or unskilled, are important to our economy and to our society. Especially because there are so many of them that are living paycheck to paycheck. When they slip into poverty, our economy and our society are weakened.

President Franklin D. Roosevelt understood this. When he created the first federal minimum wage law as part of the historic New Deal, he intended expressly for it to be a “living wage” that would ensure no full-time worker lived in poverty:

It seems to me to be equally plain that no business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By "business" I mean the whole of commerce as well as the whole of industry; by workers I mean all workers, the white collar class as well as the men in overalls; and by living wages I mean more than a bare subsistence level—I mean the wages of decent living.

Franklin Roosevelt's Statement on the National Industrial Recovery Act
June 16, 1933

What does it matter if a single-digit percentage of minimum wage earners are teenagers that live at home with no financial responsibilities? Having no financial responsibilities simply means that they are going to spend most of their earnings back into the economy. From a purely business-focused standpoint, that teenager is the perfect candidate to receive a raise. The more they earn, the more they spend; the more they spend, the stronger the economy.

There is no good reason to oppose gradual, phased-in minimum wage increases that allow all workers to afford their basic needs. The last time Hawai'i increased its minimum wage—from \$7.25 in 2014 to \$10.10 in 2018, or about 10 percent per year—the unemployment rate

dropped by 50 percent; the number of restaurant servers in Hawai'i increased by 30 percent; and the number of small businesses increased by nearly 17 percent during that time period. Not only that, but the number of people employed by small businesses increased by 19.9 percent. (Statistics come from the U.S. Bureau of Labor Statistics and the U.S. Small Business Administration.)

Research also shows that if the minimum wage in Hawai'i was increased to \$17 by 2025, even the most dramatic price increases required for businesses to cover their increased labor costs would still be well below 5 percent. Those kinds of price increases—\$0.05 more per year for a gallon of milk, for example—are easily managed by a consumer workforce that would be earning a 40 percent higher income after five years of minimum wage increases.

Despite what the opposition claims, well-run businesses can—and have, and will continue to—do better when they pay wages that give their workers the ability to be self-sufficient. With self-sufficiency comes the opportunity to succeed. We should want all workers to succeed, because that is how we build genuine prosperity for Hawai'i.

Please put Hawai'i's working people first. They are the backbone and bedrock of our society. Work to create public policy that closes the income gap and allows local, working-age adults to stay here and start families and build wealth. Increase the minimum wage to no less than \$17 by 2025.

Will Caron
Pālolo Valley

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Aaron Ling Johanson, Chair
Rep. Stacelynn K.M. Eli, Vice Chair

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

Date: Thursday, January 30, 2020

Time: 9:00 a.m.

Place: Conference room 309

HB2541, RELATING TO HELPING WORKING FAMILIES

In SUPPORT, with Amendments

My name is Bart Dame and I am testifying as an individual today.

I support the approach advanced by this bill of creating a package of ways to raise the standard of living of working families. For example, I support changing the EITC to make it refundable. That will make it more effective in helping raise the income, as well as reduce the taxes of low-income earners.

But IF we take seriously the several estimates of what a worker MUST earn in order to survive in Hawaii, for example the estimate from our own state government's Department of Business Development and Tourism, that sets the figure at \$17.63 an hour for a SINGLE person, I believe we need to either raise the minimum wage, in stages, to get to that level or makes sure the mix of reforms intended to fill the gap between wages and actual expenses actually accomplish that goal and I do not believe this package, in its present form, accomplishes that.

I would urge the bill be amended to increase the minimum wage at a faster rate and in larger steps. The goal of \$15 an hour, as was being advocated by some last year, and had the public support of the Governor and many prominent legislators, was less than what was needed. And it did not pass here, though it has passed in other states and cities with lower living costs. I would urge the legislature to raise the minimum wage to the DBEDT figure OR to adjust the other elements in this package to working families, and single employees, can afford to live in Hawaii rather than be forced out by an economy hostile to working people.

Thank you for the opportunity to testify.

HB-2541

Submitted on: 1/29/2020 2:05:31 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Matthew Geyer	Individual	Support	Yes

Comments:

It is unconscionable that cost of living in Hawai'i is so high, and our minimum wage is so low. Instead of 13\$ in 2024, how about we increase from 10.10 to 20.20 in 2020!

HB-2541

Submitted on: 1/28/2020 8:28:02 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Greg Puppione	Individual	Comments	No

Comments:

I am writing in support of PARTS of HB2541. The Earned Income Tax Credit is a great thing. Please keep that in the bill; however, I am disappointed in the minimum wage increase proposals. They simply don't do enough, fast enough. They barely keep up with inflation. Please consider starting with a baseline of \$15/hour and working your way up from there. I realize that there will be costs to local businesses and consumers; however, those can be mitigated in other ways, particularly if focus is placed on locally owned businesses. People shouldn't have to work 2-3 jobs just to pay rent and put food on the table. \$15/hour won't solve all of those problems, but it's an important and doable step in the right direction. If businesses can only survive by offering unsustainable wages, then maybe they aren't very successful businesses. It's great that they pay taxes and contribute to the economy and local community, but if their employees can't make rent, they're neglecting a major responsibility as a business. Maybe as a first step, offer some kind of incentive to companies that willingly agree to pay \$15/hour or higher (provided they demonstrate that they weren't before). Incentivize companies to do the right thing. Regardless, starting at \$11/hour isn't good enough. We can, and should, do better.

HB-2541

Submitted on: 1/28/2020 8:32:40 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff vesci	Individual	Oppose	No

Comments:

This bill falls short as written. Thirteen dollars an hour is not enough and 2024 is too far away. Working families need representation now! Our wages do not come close to the cost of living here! Stand up for us!!

HB-2541

Submitted on: 1/28/2020 8:29:24 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Scarr	Individual	Oppose	No

Comments:

To the Committee:

Given Hawaii's high cost of living and the documented plight of residents to pay their bills, the proposed raises in the minimum wage are totally insufficient. The minimum wage must be \$15/hour as soon as possible with additional raises in subsequent years. Many cities, counties, and states are raising minimum wages to \$15/hour now. Hawaii already has a nationally noted homeless population, many of whom are working at jobs that do not pay enough for them to pay for housing. We must break this unconscionable cycle of poverty. An adequate raise in the minimum wage will help.

Please amend this bill to make the minimum wage at least \$15 by July 1, 2020 with additional increases in following years. We must make Hawaii a place where resident can afford to house, feed, and care for their families.

HB-2541

Submitted on: 1/27/2020 7:01:59 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica Mitchell	Individual	Oppose	No

Comments:

13 dollars? I have 3 kids I make 19 dollars an hour have free healthcare, ebt, 2 roommates and I still barely make it month to month. 13 dollars is an insult. You need to do better or reduce the cost of living.

HB-2541

Submitted on: 1/28/2020 5:52:03 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lindsey Dymond	Individual	Oppose	No

Comments:

Aloha,

Hawaii is an extremely expensive place to live, hence this conversation, but it is also, arguably more so, an incredibly difficult and expensive place to do business. The past decade has put an incredible amount of hardship on small business through multiple increases in minimum wage, additional permit fees (food permit fee increased from \$50 every other to \$400 annually), massive increases in mandatory health care coverages, landlord increases in rent as they keep up with fair market values, some of the highest construction costs in the world, other mandated insurance increases and the trickle down of these costs through vendors in the form of increased cost of goods and overheads...not to mention the highest energy rates in the Nation by almost 2x. All of these increases are at a rate that is too rapid to pass on to the customer since a small business or restaurant needs to stay relevant with their pricing.

As a result, small business owners absorb these increased costs into already razor thin margins and are often forced to make hour cuts to keep part time staff below 20 hours, reduce other benefits such as profit sharing or life insurance, or layoff workers because they just can't afford to staff those extra people on a week night.

Many of Hawaii's minimum wage workers are entry level employees or our youth who are just learning to work or trying to make some money while in school or are just looking for a bit of extra income to supplement another job or their spouse's income. Minimum wage was never intended to be a living wage....it is the base wage to learn, to start out, to develop an interest in something not to support a family.

With unemployment so low in Hawaii, competition is fierce for good workers. The hotels already pay unrealistic wages to their workers that skew the rate scale in many industries so independent operators are forced to offer more benefit rich compensation to hire and retain skilled staff. As a result of the compensation rates increasing the way they have been and in order to retain quality staff, it makes far more sense and provides better service to guests for me to pay 4 full time people at \$15/hr + benefits than to have 6 less skilled, part time at \$11/hr without the benefits. Those are two shifts lost per dining service (breakfast, lunch & dinner), per day, per location (4 locations) in just my businesses. Where is the opportunity for people to get started? It's too expensive to hire them.

Continuing to legislate increased costs such as minimum wage on small business will cause increased prices across the State (one of the reasons it's so expensive to live here) and will drive hour cuts, wage compression, layoffs, and business closures.

Mahalo,

Lindsey Dymond

HB-2541

Submitted on: 1/28/2020 9:00:40 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Matson	Individual	Comments	No

Comments:

Aloha Chair and Committee Members,

Please reconsider this bill. It is almost a slap in the face to the working people of Hawai'i. We need strong and definitive leadership and people deserve a chance to make a living wage. \$13 is an insult to our already over-taxed and underpaid population, that it wouldn't go into effect into 2024 is just ludicrous. I don't know how I could use stronger language here, but this is insulting to even be considering. We need \$15-\$17 per hour minimum by 2022 at the latest to combat poverty and houselessness. Even that increase wouldn't raise Hawai'i's minimum wage enough to compete with rising cost of living here, but it would be a good start. There are endless resources on this topic, but here's a good summary from 2017 (keep in mind the problem is only getting worse) <https://www.newsweek.com/most-expensive-place-live-us-hawaii-toilet-paper-costs-more-628977>

Our family is barely scraping by and my husband has been working in the same position for over 12 years, with the same company for 5 years and he was just given a 20 cent raise. It's insulting at the least and at the worst it means more time away from our family because he has to find a third job to supplement our already meager income. Workers deserve to be paid more and the only way that is going to happen is if it comes from an overall increase in minimum wage.

I do support the **Earned Income Tax Credit (EITC), included in this bill**. If you can figure out a way to keep the good and get rid of the insulting \$13 or amend it significantly upwards and implement much sooner- please, please, please do so.

Mahalo,

Shannon Matson

HB-2541

Submitted on: 1/28/2020 9:14:34 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rick Gerding	Individual	Comments	No

Comments:

Hard working moms and dads need help. \$15.00 an hour is simply not enough to pay high living costs here in Hawaii. Adjusted rate would actually be @ \$24.00, so the \$13.00 number doesn't make sense especially if you put the raise off many years. Help them now!

Thanks, Rick Gerding

Kauai

HB-2541

Submitted on: 1/28/2020 9:17:06 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Individual	Support	No

Comments:

My name is Dyson Chee and I am a 17 year old high schooler living in Ala Moana. I support HB2541 with amendments. Please increase the minimum wage further to meet a minimum of \$15 by 2024, or even better the \$17 that is a true living wage for the people of Hawaii. \$13 by 2024 will not be nearly enough for young people such as me who have to make the decision whether they will stay in Hawaii or not, to choose staying in Hawaii. More and more people are leaving Hawaii in search of better opportunities elsewhere, and increasing the minimal wage by an additional \$2.90 over the span of four years, which are a critical four years when each small decision can have a huge impact on a young person's life, will, from my experience, not be enough.

HB-2541

Submitted on: 1/28/2020 9:37:29 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Gelert	Individual	Support	No

Comments:

HB-2541

Submitted on: 1/28/2020 10:22:20 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tanya Aynessazian	Individual	Comments	No

Comments:

Aloha, and thank you for the opportunity to submit comments on HB2541.

My name is Tanya Yamanaka Aynessazian and I live in Keaau, on the Big Island. I am a mother of two and soon-to-be first-time grandmother. It is through this lens that I offer testimony, and taking into consideration all the other hats I wear, including serving as the Business Manager responsible for financial accountability and viability of a \$2M nonprofit adult day care service provider that employs 34 and serves over 160 kupuna each year.

\$13/hour is not enough - not in 2020 and certainly not in 2024. \$13 is not a good first step, and tax credits and housing initiatives are not enough to eliminate the gap for workers to survive without fear, and it is definitely not enough to pay people fair wages. While it may be difficult for businesses to determine logistically how to pay for increased wages on this scale, we can no longer wait to make the changes we all know we need here in Hawaii. In Hawaii, per the 2017 ALICE Report, 37% of all households are Asset Limited, Income Constrained, Employed. I personally fall into this category and I am one of the top paid personnel in our organization. I am one illness, one accident, one unknown situation away from not being able to pay our rent and tend to my family's basic needs. In addition, another 11% of total households in the state live below the Federal Poverty Level.

We've fallen prey to a system that equates money with time, and some people's work time is valued substantially less than others. Yet we are all here for an unknown quantity of time, and we all deserve the same threshold for enjoying a quality of life that shows our humanity and caring for each other and our impact on this world. To hold so many workers to such low minimum pay doesn't require us as a people, as a legislative body, as a collective to change how we feel about our time here on earth. We are not here to work to death, spending all of our time working multiple jobs to make basic ends meet rather than raising and enjoying our family and friends and the beauty of these islands. The reason we have so many other problems to address is because the time we have for human to human connection is limited - because we are all working too much.

Please, I urge you to each reconsider this bill and what you publicly support as fair wages. What do you want for your children, and your children's children? What kind of

day-to-day lifestyle are you supporting for each and every person in Hawaii? Everyone - Everyone! - has the right to a fair, livable wage. Thank you.

eli2 - Kevin

From: Patricia Blair <patriciablair@msn.com>
Sent: Tuesday, January 28, 2020 8:18 AM
To: LABtestimony
Subject: HB 2541

\$13 per hour by 2024 is insulting to people in need, a cop out. \$15 per hour now to be increased to \$17 per hour by 2024 is more appropriate. EITC is a good thing which I can support. Thank you.

Patricia Blair, Kailua

Sent from my iPad

HB-2541

Submitted on: 1/28/2020 11:08:51 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James Tolley	Individual	Oppose	No

Comments:

“\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.”

HB-2541

Submitted on: 1/28/2020 10:39:23 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Dinner	Individual	Comments	No

Comments:

This bill is in serious need of alteration, primarily to shorten the date that it takes effect and second to increase the minimum wage. By the time we reach the effective date we will be even further away from a living wage and it will be even more difficult for lower and middle income earners to live in Hawai'i, if by that time there are any remaining here. Take a bold step. Please.

HB-2541

Submitted on: 1/28/2020 10:52:24 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nadya Penoff	Individual	Comments	No

Comments:

ALICE: A study of Financial Hardship in Hawaii determined that a family of 4 needs \$36,000 per year to survive. This means 2 adults working full time for \$17.31 per hour. Our minimum wage must be at least \$17.31 per hour! Better would be \$19.00 per hour for 2 adults to work full time to earn a total of \$38,000 per year or \$19,000 EACH. Could you live and support 1 child for \$19,000 per year? That's only \$1583 per month for rental housing, food, insurance, utilities, and clothing.

Could you do that? IMPOSSIBLE! The minimum wage must be at least \$20 per hour! PLEASE!

Thank you for reading, Nadya Penoff

From: Keanu M <metronomespinner@gmail.com>
Sent: Tuesday, January 28, 2020 8:22 AM
To: LABtestimony
Subject: Bill# HB2541 \$13 is not enough \$15 or fight

I should not have exited college making \$10.10 an hour, working painful hours and having to quit my job due to eventual health problems developing from overworked exhaustion. The debt is outrageous and there is no way to support myself without help from others. We can't live like this. We can't survive here. Having a one job minimum is so basic, but so many must work several jobs to survive. It's unfair, we need living wages, and we need to be able to make it a reality.

\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

eli2 - Kevin

From: Eric Schrager <peschrager@gmail.com>
Sent: Tuesday, January 28, 2020 8:22 AM
To: LABtestimony
Subject: HB2541 - Opposed as is

Dear Committee Members,

This bill falls way short of the critically needed increase in minimum wage in Hawaii. Our cost of living is, on average, 88% higher than average in the U.S. It therefore stands to reason that our minimum wage should also be much higher in order to allow people to survive in this inflated and isolated island economy. \$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

We must pass a measure that reaches the \$17 target and includes annual cost of living increases forever. That is the remedy that Hawaii’s working families need and the only thing that will ensure they eventually achieve a true living wage.

Thank you,

Eric Schrager
Ewa Beach

--

Eric Schrager

eli2 - Kevin

From: Korynn Grenert <korynng@hawaii.edu>
Sent: Tuesday, January 28, 2020 8:23 AM
To: LABtestimony
Subject: Bill# HB2541 disapproval

\$13 an hour is not a living wage, especially in Hawaii, and corporations can afford to pay their lower employees more than this amount. With a lack of unions in every single area of work in Hawaii, employees are at risk of losing their rights to greedy corporations, and every working person should be guaranteed basic human rights like food security and housing. Please reconsider raising the price of the minimum wage to a living wage like \$18 an hour, and doing so sooner than 2024.

Sincerely, Korynn Grenert

eli2 - Kevin

From: Barbara Barry <begoniabarry@gmail.com>
Sent: Tuesday, January 28, 2020 8:24 AM
To: LABtestimony
Subject: Minimum wage debate

Aloha Chair and Committee Members,
17.00 per hour minimum wage is a good place to start. I've read that 35.00 per hour is a living wage in Hawai'i' due to the high housing, food and transportation costs.
Don't insult the workers by saying 13.00 per hour is a "good place to start".
That's ridiculous and everyone knows it.
Mahalo,
Ms Barbara Barry
Maui

eli2 - Kevin

From: Judie Hoeppner <judie@aloha.net>
Sent: Tuesday, January 28, 2020 8:26 AM
To: LABtestimony
Subject: \$15.00 Minimum Wage by Jan 1, 2021

Aloha Legislators,

We need a minimum wage that allows our kids to afford to say in Hawaii. Please do the right thing for our people.

Aloha, Judie Hoeppner

Lihue 8086390212

HB-2541

Submitted on: 1/28/2020 11:47:01 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Korynn Grenert	Individual	Oppose	No

Comments:

\$13 an hour is not a living wage, especially in Hawaii, and corporations can afford to pay their lower employees more than this amount. With a lack of unions in every single area of work in Hawaii, employees are at risk of losing their rights to greedy corporations, and every working person should be guaranteed basic human rights like food security and housing. Please reconsider raising the price of the minimum wage to a living wage like \$18 an hour, and doing so sooner than 2024.

Sincerely, Korynn Grenert

eli2 - Kevin

From: kaleimaeole latronic <klatronic96712@gmail.com>
Sent: Tuesday, January 28, 2020 8:26 AM
To: LABtestimony
Subject: Bill# HB2541 \$13 is not enough and is a step backwards

Follow Up Flag: Follow up
Flag Status: Flagged

To whom it may concern,
The proposed 13 dollar minimum wage is no where near enough and is a step backwards. Workers need at least 15 dollars an hour minimum wage. People are struggling unsuccessfully to live in Hawaii. Things are out of control. Please hear us and work for us. Our taxes pay your salaries.

Respectfully,
Kalei Latronic

--

Kalei Latronic
[Kaleimaeole Jewelry](#)

eli2 - Kevin

From: R Cameron <solartstudios@yahoo.com>
Sent: Tuesday, January 28, 2020 8:34 AM
To: LABtestimony
Subject: Bill HB2541

Aloha,

I have to say that the minimum wage must be raised sooner and higher. 15\$ an hour isn't enough but it's better than nothing. I make 25\$ an hour and that isn't even enough to pay my bills. I have to rely on my wife's income as well. The cost of gas is too high. The cost of electricity is too high. The cost of rent is too high. Food is also too high. We need to do better. Please!

Ryan Cameron,
Director
Sol Art Studios

www.solartstudios.com
808-822-4774

eli2 - Kevin

From: Catherine Clement <cateclement@gmail.com>
Sent: Tuesday, January 28, 2020 8:34 AM
To: LABtestimony
Subject: Bill# HB2541 - \$13 is not enough - Hawaii deserves a living wage

Aloha dear Madam and Sirs,

As a Senior Human Resources Professional for 25+ years, I have been responsible for compensation management and employee relations for many of Hawai'i's residents. These two HR areas meet at work when an employee's earnings are simply not enough to live. I've witnessed first hand the large numbers of Hawai'i employees who must work 2 and 3 jobs just to barely keep a roof over their heads. I've seen what it does to their health, their work performance, their family life, and more. It's time for Hawai'i to step up and face reality.

\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

Mahalo for your consideration and support for the working people of Hawai'i.
Catherine Clement

Catherine Clement
LMHC, SHRM-SCP
[808.635.2771](tel:808.635.2771) mobile

eli2 - Kevin

From: Rachel Fleury <rachel.fleury@gmail.com>
Sent: Tuesday, January 28, 2020 8:35 AM
To: LABtestimony
Subject: Bill# HB2541 We need a living wage

Aloha,

I am a resident of Kauai since 2012. When I first moved to HI, I was work-trading on an organic farm, and earning \$10-15 per hour for additional hours beyond my work trade. This income was only "liveable" for me because I lived in a tent rent-free (also without plumbing and electricity) on farmland, eliminated most other expenses, had no debt, and received government assistance for food and healthcare costs.

Thankfully I found better paying work in recent years and feel that, at \$22/hr, I am finally providing a comfortable upbringing for my child and living comfortably (if still simply). I spend more than half my income on rent.

Please do the math. \$13 per hour is not a living wage in the state Hawaii (and probably nowhere else in the US for that matter). Residents of these islands deserve better.

I strongly support a higher minimum wage of at least \$15, ideally \$17 per hour that will increase regularly with cost of living increases.

Thank you for considering my input regarding **Bill# HB2541**

Rachel Fleury
Anahola, Kauai, HI

eli2 - Kevin

From: Thomas DiGrazia <digraziat001@gmail.com>
Sent: Tuesday, January 28, 2020 8:37 AM
To: LABtestimony
Subject: HB # 2541--Hawaii's working people need a living wage of at least \$15/hour, now.

Dear Legislators:

Hawaii's working people need a living wage of \$15/hour or more, right now. We don't need first steps! We need immediate financial relief for our working poor. Please amend HB # 2541 accordingly in this legislative session.

Mahalo!

In peace,

Tom

Thomas DiGrazia
Director, Peacemaker-Collaborative Lawyer/Counsellor-at-Law
Mediation Center-Windward Oahu
(808-262-0770)

eli2 - Kevin

From: Cathy Hough <cathyhough39@gmail.com>
Sent: Tuesday, January 28, 2020 8:42 AM
To: LABtestimony
Subject: Minimum wage

Please consider a living minimum wage of \$15 per hour. \$13 is not adequate and implementing this change in 2024 is inane.

Thank you,
Cathleen Hough
Hilo, HI

Sent from my iPhone

eli2 - Kevin

From: ajp@maui.net
Sent: Tuesday, January 28, 2020 8:45 AM
To: LABtestimony
Subject: Testimony HB2541

Good morning,

I am writing this in regards to HB2541 and the \$13.00 an hour minimum wage. The cost of living in Hawaii has increased to the point that it is impossible for the person earning the minimum wage to survive. The cost of housing is near the breaking point for many Hawaii families and a \$15.00 an hour raise is what is needed. Please consider raising it to \$15.00 an hour so that this bill can really help the minimum wage workers.

Thank you, James Padgett

James Padgett 189 Makaena Place Pukalani, HI 96768 email: ajp@maui.net Phone: (808) 268-1030

HB-2541

Submitted on: 1/28/2020 12:48:38 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara L Franklin	Barbara L Franklin, Esq., Attorney at Law	Oppose	No

Comments:

As a bankruptcy attorney, I know what people who live in Hawaii have to deal with to make ends meet. I oppose this bill. This bill does not go far enough with respect to minimum wage and does not include indexing the amount to an acceptable index. As reported in Civil Beat on January 28, 2020, two-thirds of Hawaii residents are financially insecure by national measurements. If they can't move to the mainland to secure better paying jobs, they fall farther in debt with less and less financial security available to secure good housing, and education for themselves and their family, and are less able to help other keep their heads above water, so to speak. The legislature, the financial community, the state government have buried their heads in the sand with respect to what it takes to live here, especially on the neighbor islands. We lose our best and brightest young people and those left struggle to make home and work life balance on a meager budget. Please raise the minimum wage; it will help everyone.

HB-2541

Submitted on: 1/28/2020 1:14:33 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Anne M Nason	Individual	Oppose	No

Comments:

The proposed amounts for minimum wage increase just simply are not enough. The minimum wage should start at \$15 per hour and increase annually from there until the minimum wage is at least \$17 per hour. The cost of living is just too high in Hawaii and the proposed amount is not fair to the Employees.

HB-2541

Submitted on: 1/28/2020 1:17:48 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
pat gegen	Individual	Comments	No

Comments:

This is too slow of a ramp up to \$15.00/ hour - Make the switch immediatelyu to \$15.00.

HB-2541

Submitted on: 1/28/2020 1:17:51 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lucas McSweeney	Individual	Oppose	No

Comments:

This will make everything else more expensive.

HB-2541

Submitted on: 1/28/2020 1:26:18 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Oppose	No

Comments:

HB-2541

Submitted on: 1/28/2020 2:14:19 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ruta Jordans	Individual	Comments	No

Comments:

Earned Income Tax Credit is good, but the increase in minimum wage would be laughable if it was not so insulting. It should start with \$15 an hour in 2021. Please be realistic while you are looking out for those among us having the hardest time. Many people I know hold three part time, minimum wage jobs just to survive. How can the legislature, in good conscience, give themselves a substantial raise, and then go for \$1 a year increase for minimum wage? Please adjust it to \$15 an hour starting in 2021.

HB-2541

Submitted on: 1/28/2020 2:30:10 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Randy Ching	Individual	Support	No

Comments:

Aloha Chairs Johanson and Luke, Vice Chairs Eli and Cullen, and members of the committees,

I support HB2541 with amendments. The minimum wage should be \$17 an hour by 2025, not \$13 an hour. Hawaii has the highest cost of living in the country and one of the lowest minimum wages when adjusted for the cost of living.

The State's own DBED calculated that a living wage in 2020 for an individual is \$17.63 an hour. Everyone who works a full-time job should be paid a living wage, which would enable the worker to have shelter, food and access to health care. No frills, just the basics.

Almost half of the population (ALICE study in 2015) is struggling financially. Many are homeless or one missed paycheck from being on the street. Many people work 2 or more jobs to make ends meet. Increasing the minimum wage to a living wage also means more money for local businesses -- low income wage earners typically spend almost all their income on necessities. And this is good for business -- workers rarely save very much because of the high cost of living. Money circulates quickly.

Please pass HB2541 with the above suggested amendment. You will be doing a great service for your constituents and for local businesses. Mahalo for the opportunity to testify.

Randy Ching

Honolulu (makikirandy@yahoo.com)

HB-2541

Submitted on: 1/28/2020 2:46:47 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

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

Comments:

Two-thirds of Hawaii residents are struggling financially.

A family of four in Hawaii needed a household income of more than \$72,000 to afford basics like food, clothing, transportation, health care and housing. 48% of people in Hawaii are living below the threshold.

Please amend this to no less than \$17 by 2025 instead of \$13 by 2024.

Mahalo.

HB-2541

Submitted on: 1/28/2020 3:27:56 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Greg and Pat Farstrup	Individual	Comments	No

Comments:

Aloha,

HB 2541 needs to be amended to raise the the minimum wage to at least \$17/hr (\$20/hr would be better) by 2024.

> No worker deserves to live in poverty. It costs more than \$17/hr for a full-time worker to live in Hawaii.

> 8 states, all with lower costs of living, have passed a \$15 minimum wage into law.

> A majority of legislators publicly support at least a \$15 minimum wage. A final vote on \$15/hr minimum wage bill has been blocked for years.

> Legislators will be getting \$11,000 annual raises between now and 2024.

> It's time workers get at least \$15/hr by 2024. We need and deserve much more.

Greg and Pat Farstrup



HB-2541

Submitted on: 1/28/2020 3:51:52 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Julie	Individual	Support	No

Comments: I support HB2541 "with amendments" and respectfully suggest that they amend the bill to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year

HB-2541

Submitted on: 1/28/2020 4:00:34 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

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

Comments:

Dear Chair Johansen, Vice Chair Eli, and members of the House Labor Committee:

I oppose HB2541: RELATING TO HELPING WORKING FAMILIES.

I do not agree with the portions of the bill that increases the minimum wage from \$10.10/hour to \$13/hour by 2024. This is WAY too small. The Department of Business Economic Development and Tourism estimates a living wage to be \$17/hour in 2019. To propose \$13/hour by 2024 is embarrassingly Manini. The minimum wage needs to be a living wage and it needs to be set at \$17/hour by 2022.

I do however, support the portions of the bill which makes permanent the state earned income tax credit and increases the refundable food/excise tax credit. These measures will improve the lives of many who are struggling financially in Hawaii – which the Star Advertiser says is upwards of 60% of Hawaii's population.

The increased disposable income that minimum wage earners will have if the hourly rate is increased to \$17/hour by 2022 will significantly boost the general economy. Other cities which have increased the minimum wage to a living wage of \$15 has seen the local economy thrive once more money is provided by those who make minimum wage.

In closing, I oppose this bill because the proposed increase is insufficient. The minimum wage needs to be a living wage at least \$17/hour by 2022.

Sincerely,

Nathan Yuen

HB-2541

Submitted on: 1/28/2020 4:26:03 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jonathan Boyne	Individual	Support	No

Comments:

I support this bill “with amendments” – and suggest it be amended to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year.

\$13 is not enough, including that the next 8 most expensive states to live in have already passed \$15 minimum wage laws.

\$17 by 2025 makes a lot of sense:

DBEDT calculates that a single adult with no keiki needed to earn \$16.90 an hour in 2018 in Hawai'i. After adjusting for inflation, that means \$17.63 per hour in 2020 to meet their basic needs.

Aloha United Way commissioned “ALICE: A Study of Financial Hardship in Hawai'i,” and found that a family of four in our state needed \$72,336 in 2015 for a “bare-minimum household survival budget.” After adjusting for inflation, that means \$80,381 in 2020. If that household has two earners, that means that each of them needs to make at least \$19.32 an hour for their family to survive.

The Economic Policy Institute (EPI) has a family budget calculator that measures “the income a family needs in order to attain a modest yet adequate standard of living.” A single person with no children in Honolulu County needed \$24.78 per hour in 2017 according to that calculator, or \$26.34 an hour in 2020.

The Institute for Women's Policy Research (IWPR) estimates the annual income needed for basic economic security. They find that a single working adult without children and with benefits needed to earn \$21.85 per hour in Hawai'i in 2016, or \$23.82 in 2020. Without benefits, that person needed \$25.22 per hour, or \$27.48 an hour in 2020, to be economically secure.

The National Low-Income Housing Coalition (NLIHC) calculates a housing wage for each state. To afford a one-bedroom apartment in Hawai'i, a worker needed to make \$28.04 an hour in 2019, or \$28.70 in 2020.

Sincerely,

Jonathan Boyne

HB-2541

Submitted on: 1/28/2020 4:48:16 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Meredith Buck	Individual	Oppose	No

Comments:

This bill as it stands has elements that are great, but overall it is totally off the mark and not good enough. Right now an individual needs to work over 140 hours per week at minimum wage just to cover basic living expenses. How is \$13/hr really going to help, especially when postponed until 2024? Many legislators are fighting with us for \$15, and even that is low. We need a higher minimum wage, and we need it now. I suggest taking money away from development, and investing in existing residents' quality of life with \$17/hr minimum wage.

HB-2541

Submitted on: 1/28/2020 4:49:44 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bruce Ellinwood	Individual	Support	No

Comments:

I support HB2541 **with amendments.**

Passing this bill as is would make Hawaii, a state with one of the highest costs of living, a late follower of states that have provided better wages for their working poor.

Studies show that raising the minimum wage does NOT increase unemployment or the number of business failures. In one study, unemployment and business failure rates of a state that increased the minimum wage remained unchanged, as did the rates of a neighboring state.

Raising the minimum wage to \$17 by 2025 would make Hawaii a leader in addressing the income gap. Let's lead rather than follow.

HB-2541

Submitted on: 1/28/2020 4:53:47 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Justin Salisbury	Individual	Comments	No

Comments:

Mahalo to Speaker Saiki, Chair Johanson, Vice-Chair Eli, and all other Representatives who introduced this bill. I support the intent of HB 2541 and offer the following comments:

I think this bill is a great start, but I respectfully request some additional language to be added to this bill in order to make sure that it truly helps all working families that it is intended to help.

I respectfully request that the Committees add the contents of House Bill 232, a bill whose language these Committees already passed in 2019, which will repeal the exclusion of workers with disabilities from the minimum wage protections. In 2019, LAB passed HB 232 in an HD 1, and FIN passed SB 789, which included this language in an HD 2.

As Section 387-9 of the Hawaii Revised Statutes is currently written, it explicitly authorizes wage discrimination against workers with disabilities. House Bill 232 will fix that. If the Committee passes this bill as written, it will help some working families but exclude families that include workers with disabilities, like mine.

Additionally, I respectfully suggest that the Committees consider amending the bill to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year.

Mahalo for introducing this bill, bringing it to a hearing, and considering my proposed amendments.

As we move forward as a State, let us move forward together, so that nobody gets left behind.

PLEASE AMEND HB 2541

I would like very much to say I support HB2541 because it says it is intended to help working families. But as it stands, HB2541 simply does not do right by our workers. Refundable tax credits will provide some welcome relief, for sure. But they cannot make up for the absence of a true living wage.

If good policy-making is data-driven, lawmakers, acting in good faith, should be guided by what the data from the state's own Department of Business, Economic Development and Tourism tells us.

According to DBEDT, workers need to make at least \$17.50 an hour TODAY to simply survive in this high cost state. Lawmakers have said that \$13 by 2024 is enough because workers will be getting refundable tax credits. The math does not support that.

We should note that the eight most expensive states after Hawaii have already passed \$15 minimum wage laws AND have refundable and bigger EITCs than here.

Why then would we sell our workers short? What can possibly justify paying Hawaii workers less than they need to simply afford the basics: food, shelter, and the other necessities we all take for granted?

A strong majority of our lawmakers have said they support a living wage.

Let them vote on a bill that proposes at least \$15 per hour so that the public can see that they meant what they said.

Even better, let's put in steps to reach the \$17.50 target stipulated by DBEDT and provide for annual cost of living increases. I am confident lawmakers want to be seen to be sincere in their expressed desire to help working families.

Please amend this bill to genuinely reflect that desire.

The nearly half of Hawaii families who live in, or teeter on the edge of poverty (Asset-Limited, Income-Constrained, Employed—A.L.I.C.E. or below) will be truly grateful that you represented their interests in good faith.

Thank you for this opportunity to testify.

Dawn Morais Webster Ph.D.
1, Keahole Place #3501
Honolulu, HI 96825

HB-2541

Submitted on: 1/28/2020 5:01:48 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Myers	Individual	Support	No

Comments:

Aloha,

I support this but only with ammendments. I respectfully suggest that they amend the bill to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year. â€œâ€œâ€œâ€œ

\$13 an hour is about \$27,000 a year for full-time work. That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

The last time Hawai'i's minimum wage earners got a raise—to \$10.10 an hour—was January 1, 2018. They already have been stuck at that level—\$21,000 a year for full-time work—for more than 2 years. With inflation eroding their pay, **\$10.10 now is worth only \$9.68**, so full-time minimum wage workers in Hawai'i are losing the equivalent of over \$500 per year to inflation.

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. The next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is *lower* than in Hawai'i.

HB-2541

Submitted on: 1/28/2020 5:17:28 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
abby l white	Individual	Comments	No

Comments:

The cost of living is too high in Hawaii to only raise the minimum wage to \$13. You need to raise the minimum wage to a **living wage of at least \$17** to meet the bare minimum needed to survive.

How much do you make an hour? Could you live off of \$13 an hour?

This will not put unsurmountable burden on employers who are making **record profits** and should therefore be expected to compensate their employees. How much profit can a business legally make while their **employees are an accident or illness away from being homeless?**

In addition to raising the living wage, the lack of access to health care needs to be addressed. We cannot afford to see a doctor, since the laws here do not mandate insurance for part time workers. Most employers seeking to skirt the expense just hire multiple part time workers rather than one who will need their insurance to be covered.

Medicaid doesn't cover you if you work the equivalent of a full time job since they do not want to cover the expense either. So the majority of Hawaii's residents are living paycheck to paycheck and do not afford the luxury of a doctor visit when we are sick. We work hard to live here and will **never** be able to afford a home. We can't dream of higher education for ourselves or our children. Minimum wage jobs are the best we can get.

Ask yourself again, do you think you could live off of \$13 an hour? Maybe you should all try it for a year, let see how you do. My guess is not very well.

This is **your responsibility** to fix and \$13 by 2024 is shameful and unacceptable.

HB-2541

Submitted on: 1/28/2020 5:26:22 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
William Haole	Individual	Comments	No

Comments:

RE: HB 2541 ***RELATING TO HELPING WORKING FAMILIES.****Aloha!*

*Respectfully, this bill FAILS to **help working families**. Instead, it **prolongs their agony and struggles** to meet the basic needs to live. Everyday working families struggle to keep from becoming homeless. It is said, "each week they fear they're one step away from homelessness." Further, they're forced to juggle between healthcare, rent, food on a daily basis.*

The thought that Hawai'i, the most expensive state in the nation, falls tremendously behind in raising its minimum wage compared to 8 other expensive states with a lower cost of living boggles the mind. Those states have done a far more superior job in helping their working families meet their cost of living proportionately -- sadly better than the Aloha State.

*The fact is, **Hawai'i's minimum wage should already be at \$15 per hour and increased to at least \$20 per hour by 2025**; anything less would be a travesty.*

*Respectfully submitted,**William P. Haole, III*

HB-2541

Submitted on: 1/28/2020 5:34:46 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Comments	No

Comments:

Dear Representatives,

Imagine the future (2024) and YOU and your spouse are finally each making \$13 per hour. The rail is still not working in your neighborhood and your car tires need replacing. Your daughter has a toothache and you don't have dental insurance. Your growing son needs larger soccer shoes. Oh, and your monthly rent just went up. Which need gets priority with the \$200 you have saved up? Many of us never need to choose between "wants", much less "needs". It is difficult for us to even imagine ourselves in this scenario. But in Hawaii, thousands of families face these stressful decisions all day, every day. There is no relief because \$13 per hour will never cover all of their family's expenses.

For years the minimum wage has not kept up with inflation. A few more dollars per hour can make all the difference for these families. Let's not put ourselves on a trajectory that we already know will be insufficient for struggling families. HB2541 needs a starting point of at least \$15 per hour followed by annual increases if we are to ever make a dent in the poverty cycle in Hawaii. And surely we have to try.

Please pass this bill with a truly livable wage and yearly increases.

Sincerely,

Jan Pappas

Aiea, Hawaii

HB-2541

Submitted on: 1/28/2020 5:45:22 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Best	Individual	Oppose	No

Comments:

WE NEED TO BE REALISTIC & COMPASSIONATE PLUS WE NEED WORKERS FOR THE RICH WHO ARE MOVING TO OUR STATE.

\$13 an hour is about \$27,000 a year for full-time work. That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics. DBEDT calculates that a single adult with no keiki needed to earn \$16.90 an hour in 2018 in Hawai'i. After adjusting for inflation, that means \$17.63 per hour in 2020 to meet their basic needs. HAWAII The Economic Policy Institute (EPI) estimates a single person without children in Honolulu needs \$26.34 an hour in 2020. Mahalo!

HB-2541

Submitted on: 1/28/2020 5:49:12 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dante K. Carpenter	Individual	Support	No

Comments:

Dear Chairs & Committee Members:

1. Recognizing the good intentions of this bill, the amount of increase for the "Minimum Wage" in Hawai'i needs to be increased to a range near or at 17 dollars per hour.
2. Please re-evaluate the realities of this important measure!
3. The minimum cannot be less than that approved by other states in the U. S., especially those with lower "costs of living" when compared to Hawai'i!

Mahalo for your understanding and appropriate action!

Dante Carpenter

Former Elected State & County Official

(808) 358-7104 . (Cellular)

HB-2541

Submitted on: 1/28/2020 5:53:17 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sofia Adams	Individual	Comments	No

Comments:

Amend the bill to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year.

HB-2541

Submitted on: 1/28/2020 5:57:53 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marion McHenry	Individual	Comments	No

Comments:

I am submitting my testimony from Kauai.

I feel strongly that \$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

Studies are showing that increasing the minimum wage to a living wage is the single most important thing that can be done to solve our homeless crisis and our rising suicide rates.

A meaningful increase in the minimum wage is the single most pressing issue facing the legislature this year.

Sincerely,

Marion McHenry

HB-2541

Submitted on: 1/28/2020 6:17:30 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kiana Otsuka	Individual	Comments	No

Comments:

Aloha,

Thank you for your efforts to help working families by raising the minimum wage. While I am in support of raising the minimum wage, I believe that this bill does not go far enough. This bill should be amended to raise the minimum wage to no less than \$17 an hour by 2025.

\$13 an hour is about \$27,000 a year for full-time work. That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. The next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is *lower* than in Hawai'i.

These other high cost-of-living states also already have *refundable* state earned income tax credits (EITC), meaning that a tax payer can get a refund if their credit is worth more than they owe in income tax, for low-wage and working-class taxpayers.

In addition, EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn't have an income tax) than in Hawai'i. In other words, even if Hawai'i's EITC becomes refundable, minimum wage earners in the next 8 most expensive states will receive more from their EITCs than in Hawai'i.

With those 8 other states—all with lower costs of living than in Hawai'i—already on track to raise their minimum wage **well past \$15** in the coming years, Hawai'i should raise its wage by between \$1 and \$1.50 per year to \$17 an hour by 2025. That would mean an average increase of 11 percent per year—which is less than some of the increases in Hawai'i's minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to "meet their basic needs" in 2020.

In addition to DBEDT, **Aloha United Way** commissioned the "A.L.I.C.E. Report" in 2015, which found that a household of four needs two earners to make **\$19.32** each to survive. The **Economic Policy Institute** calculates Hawai'i's self-sufficiency standard for a single worker with no children at **\$26.34**, while the **Institute for Women's Policy Research** puts that number at **\$27.48**. Meanwhile, the the **National Low-Income Housing Coalition** calculates that, to afford a one-bedroom market-rate apartment, a worker needs to make **\$28.70** in 2020.

In the most expensive state to live in the nation, our struggling low-wage families need bigger tax credits AND a *robust* boost to the minimum wage.

Mahalo for considering amending this bill to help struggling low-wage families by taking a small step to increase the minimum wage.

Mahalo,

Kiana Otsuka

HB-2541

Submitted on: 1/28/2020 6:18:17 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nanea Lo	Individual	Support	No

Comments:

Hello,

My name is Nanea Lo and I am a lifelong resident of Hawai'i on O'ahu. I am a masters student at UH Mānoa in the Department of Urban and Regional Planning. Although I do support \$13 per hour in 2024 this bill is still not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

We should pass this bill, but we also need a bill that raises the minimum wage even hire. People in Hawai'i, including me, has to work 3 to 4 jobs just to make ends meet and survive pay check to pay check! It's unacceptable.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

I leave it to you all to do what is right.

me ke aloha 'Āina,

Nanea Lo

HB-2541

Submitted on: 1/28/2020 6:27:45 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Fitzpatrick	Individual	Support	No

Comments:

Aloha Honorable Representatives,

My name is John Fitzpatrick and I am in support of **HB2541** if it is amended to raising the minimum wage to **\$17 an hour by the year 2024**. A good first step would be to publically allow members to vote on a \$15 an hour minimum wage that would support local families and help them pay their rent, buy food for their kids, buy clothes, and hopefully be able to pay the bills.

I am a teacher at Maui Waena Intermediate School and nearly half of my students live in poverty or at the brink of poverty. It is sad seeing them go home hungry or not be able to purchase school supplies. Their parents and I are working 2-5 jobs to pay the bills and this is a smart step to help Hawaii's families climb out of poverty.

Please amend this bill so you can publically vote for a \$15 minimum wage and a \$17 minimum wage by the year 2024. \$13 is not enough, \$15 and fight for \$17 by the year 2024.

Mahalo,

Fitz

#Fightfor15

HB-2541

Submitted on: 1/28/2020 6:58:23 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane S. Martinson	Individual	Comments	No

Comments:

I thank you for addressing the important issues raised in this bill to address the plight of the low wage working families of our community; however, this bill's tiered minimum wage structure is woefully inadequate. With a national movement to raise the minimum wage to \$15.00/hour and at least seven states and the District of Columbia having already enacted tiered structures to reach \$15.00/hour, Hawaii can and must do better. "Reaching" for \$13.00/hour by 2024 when the current living wage in Hawaii, even by conservative measures, is near \$17/hour for a family with two children, is perilous to our state. Many people in these islands work long hours at jobs paying minimum wage or close to it, providing necessary services for the smooth, healthy functioning of society, and yet they still can't get by. Their health, the health of our communities, and the health and future of the children who are home alone are all negatively impacted. Regularly people come to us in the churches desperate to meet the shortfall in their rent, to keep the lights and water on, to keep their car that gets them to work from being repossessed. Fear is expressed by some that raising the minimum wage will slow the economy and/or job growth, but according to the Economic Policy Institute, the "benefits vastly outweigh the cost" of a \$15/hour minimum wage. Hawaii should aim for higher, but it certainly shouldn't be aiming for anything less than the \$15/hour that many around the country have already agreed is the wise and prudent action to take.

HB-2541

Submitted on: 1/28/2020 7:19:34 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sam Small	Individual	Support	No

Comments:

HB-2541

Submitted on: 1/28/2020 7:21:46 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica dos Santos	Individual	Support	No

Comments:

Aloha members of the Finance and Labor Committees:

â€‹The cost of living in Hawaii is more than \$17 per hour. As no full-time worker should be living in poverty, it's far past time we take the steps to make this the minimum wage.

\$13 per hour by 2024 is not enough to bring workers out of poverty. This bill raises the minimum wage too low and too slow.

As legislators will be getting more than \$11,000 in raises by 2024, workers deserve raises of at least that much.

A bill to raise the wage to at least \$15 per hour needs to be given a final vote. Please don't let another year pass without giving us the justice we deserve.

Mahalo,

â€‹Jessica dos Santos

HB-2541

Submitted on: 1/28/2020 7:26:53 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Bojanowski	Individual	Oppose	No

Comments:

Dear Honorable Representatives Johanson, Eli, Luke, and Cullen,

Please consider my comments ***in OPPOSITION to HB 2541 as it is currently written regarding minimum wage.***

The proposal to raise the minimum wage to \$13 by 2024 falls *far short* of what working people need to afford the basics. For a single person without children **to meet their basic needs, they need a wage of \$17.63 per hour according to a 2018 Hawai'i Department of Business, Economic Development & Tourism analysis (after adjusting for inflation). Other independent research groups have pegged ***basic economic security in Hawai'i at well over \$25 an hour in 2020.*****

We need to begin to close the growing gap between wages and cost of living. If working-age people in Hawai'i can't earn enough to afford to live here, they will continue to move elsewhere. There are 88,000 minimum wage earners, and more than 250,000 workers that earn less than enough to live on. As cost of living continues to rise and wages remain flat, the problems faced by working families continue to grow, preventing the development of a stable middle class and undermining our economic security.

With other states already on track to raise their minimum wages to \$15 and beyond in coming years, Hawai'i—with its extraordinarily high cost of living—should be leading the pack. ***Hawai'i should raise its wage to at least \$17 an hour by 2025.***

Very Respectfully,

Jennifer Bojanowski

66-779 Haleiwa Road, Haleiwa, HI 96712

HB-2541

Submitted on: 1/28/2020 7:38:25 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

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

Comments:

Aloha.

I am in support of HB2541 with amendments to raise the minimum wage to \$17 by 2025. The National Low-Income Housing Coalition (NLIHC) calculates a housing wage for each state. To afford a one-bedroom apartment in Hawai'i, a worker needs to make \$28.04 an hour in 2019, or \$28.70 in 2020.

Please pass HB2541 with amendments.

Benton Kealii Pang, Ph.D.

HB-2541

Submitted on: 1/28/2020 7:48:20 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Madelynn Sodetani	Individual	Support	No

Comments:

Click "Submit Testimony" on the top right.

Fill out your info, Click "Support" and then put this in the box

I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/28/2020 7:58:10 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James Maliszewskyj	Individual	Support	No

Comments:

Dear Honorable Representatives Johanson, Eli, Luke, and Cullen,

Please consider my comments in favor of HB 2541, but with a minimum wage increase of AT LEAST \$17/HOUR BY 2024.

The proposal to raise the minimum wage to \$13 by 2024 falls far short of what working people need to afford the basics. For a single person without children to meet their basic needs, they need a wage of \$17.63 per hour according to a 2018 Hawai'i Department of Business, Economic Development & Tourism analysis (after adjusting for inflation). Other independent research groups have pegged basic economic security in Hawai'i at well over \$25 an hour in 2020.

We need to begin to close the growing gap between wages and cost of living. If working-age people in Hawai'i can't earn enough to afford to live here, they will continue to move elsewhere. There are 88,000 minimum wage earners, and more than 250,000 workers that earn less than enough to live on. As cost of living continues to rise and wages remain flat, the problems faced by working families continue to grow, preventing the development of a stable middle class and undermining our economic security.

With other states already on track to raise their minimum wages to \$15 and beyond in coming years, Hawai'i—with its extraordinarily high cost of living—should be leading the pack. Hawai'i should raise its wage to at least \$17 an hour by 2025.

Very Respectfully,

Jim Maliszewskyj

66 779C Haleiwa Rd

Haleiwa, HI 96712

HB-2541

Submitted on: 1/28/2020 8:30:52 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Kagiwada	Individual	Oppose	No

Comments:

\$13/hour is not enough to survive on in 2020 and it is not a "good first step" for the working people of Hawaii. Please consider raising the amount to \$17/hour by 2025 so that the working poor in our state no longer have to choose between paying for food or paying for rent. Mahalo.

HB-2541

Submitted on: 1/28/2020 8:06:54 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Khrystyna Sodetani	Individual	Support	No

Comments:

I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/28/2020 8:49:05 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Steven P. Katz	Individual	Oppose	No

Comments:

I oppose bill HB2541 because I believe the minimum wage needs to be \$17 an hour as soon as possible. Many less expensive states already have a \$15 an hour minimum. Please raise is to \$15 and hour now and raise it to \$16 and then \$17 in the subsequent years

HB-2541

Submitted on: 1/28/2020 8:58:50 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Zack Stoddard	Individual	Support	No

Comments:

I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

HB-2541

Submitted on: 1/28/2020 9:07:02 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Calvin Foo Pham	Individual	Support	No

Comments:

I am writing in support of an amended bill with a \$17/hour minimum wage by 2025. With 47% of families in Hawaii barely making ends meet, the proposed \$13/hour is not enough to offset our state's high cost of living. Other states have already passed minimum wage increases to \$15/hour but do not have the same high cost of living. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17.63/hour by 2025. We must use the knowledge and research by our own Department of Business, Economic Development & Tourism, which has indicated that a living wage for families to pay for basic needs is \$17.63/hour (assuming there are two income earners). This \$17.63/hour figure what we must strive for: a minimum wage sufficient to cover basic needs. If our people earn more money, they can cover their expenses and will be less likely to have to choose between housing their families, feeding their families, or going into debt. Let's get this bill amended to a level that benefits our people using the expertise the Department of Business, Economic Development & Tourism.

HB-2541

Submitted on: 1/28/2020 9:19:06 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Doris Segal Matsunaga	Individual	Support	No

Comments:

Please ammend minimum wage increase to \$17/hour. \$13 is not a living wage in Hawaii

HB-2541

Submitted on: 1/28/2020 9:30:45 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Anne Miller	Individual	Oppose	No

Comments:

HB 2541 is right to make the earned income tax credit permanent, as paltry as it is. However, HB 2541 is entirely inadequate in its provisions for raising the minimum wage. Our cost of living is so high that people are having to work two or three jobs to make ends meet, and many are being forced to leave Hawaii permanently. How can the state House members collude in this absurd proposal for such miserly and foot-dragging minimum wage raises? Is the legislature so clueless they are unaware of how incredibly insulting this is to the struggling hourly workers of Hawaii? And when the legislators gave themselves substantial wage increases so recently. Shame!

Sincerely,

Anne M. Miller

HB-2541

Submitted on: 1/28/2020 9:31:35 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
William Bekemeier	Individual	Support	No

Comments:

Support for Amending HB2541, Relating to Helping Working Families

My name is William Bekemeier and I am writing as a member of Faith Action for Community Equity. With 47% of families in Hawaii barely making ends meet, passing a Living Wage bill this session is crucial. Hawaii's wages have been falling behind the cost of living increases for years. It is time for Hawaii to follow the footsteps of other mainland states who have already passed increases to \$15/hr. The longer we wait to take action, the more difficult it will become for working people to

catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17/hr.

Thank you for the opportunity to testify,

HB-2541

Submitted on: 1/28/2020 9:54:00 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Angus Raff-Tierney	Individual	Support	No

Comments:

Aloha members of the Finance and Labor Committees:

The cost of living in Hawaii is more than \$17 per hour. As no full-time worker should be living in poverty, it's far past time we take the steps to make this the minimum wage.

\$13 per hour by 2024 is not enough to bring workers out of poverty. This bill raises the minimum wage too low and too slow.

As legislators will be getting more than \$11,000 in raises by 2024, workers deserve raises of at least that much.

A bill to raise the wage to at least \$15 per hour needs to be given a final vote. Please don't let another year pass without giving us the justice we deserve.

Mahalo,

Angus Raff-Tierney

HB-2541

Submitted on: 1/28/2020 10:19:36 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Nakajima	Individual	Support	No

Comments:

I support this bill but strongly believe the minimum wage should be increased to \$17 per hour by 2025. Even that would leave two income families just above the poverty line.

Thank you.

Martha Nakajima, Honolulu

member of Indivisible-Hawaii

HB-2541

Submitted on: 1/28/2020 10:30:01 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lea Minton	Individual	Support	No

Comments:

I support with amendments, recommending raising the minimum wage to \$17.50. We need a working wage. Mahalo.

HB-2541

Submitted on: 1/28/2020 11:00:11 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
tia pearson	Individual	Support	No

Comments:

A single working adult without children and with benefits needed to earn \$21.85 per hour in Hawai'i in 2016, or \$23.82 in 2020. Without benefits, that person needed \$25.22 per hour, or \$27.48 an hour in 2020, to be economically secure.

HB-2541

Submitted on: 1/28/2020 11:21:23 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Romala Radcliffe	Individual	Support	No

Comments:

Do the right thing. This is one way Hawaiican move forward.

Chair(s) Aaron Johanson & Sylvia Luke
Vice Chair(s) Stacelynn Eli & Ty Cullen

House Committee on Labor & Public Employment
House Committee on Finance

Thursday, January 30, 2020
9:00 AM

**TESTIMONY OFFERING COMMENTS ON HB2541 RELATING TO HELPING
WORKING FAMILIES**

Aloha Chair(s) Johanson & Luke, Vice Chair(s) Eli & Cullen, Members of the House Committee on Labor & Public Employment and House Committee on Finance,

My name is Jun Shin. I am a Sophomore at the University of Hawai‘i at Mānoa, and currently serve as the Environmental Justice Action Committee Chair for the Young Progressives Demanding Action (YPDA). Today, I am testifying as an **individual**, offering **comments** on **HB2541**, Relating to Helping Working Families.

This bill is seriously concerning. Process wise, having only one joint public hearing in the House at 9:00 in the morning limits who is able to actually participate in decision making before it basically speeds through the rest of the legislative process. Within the bill itself, there is an increase to the minimum wage to \$13 by 2024, food/excise tax credits, and also includes making the state earned income tax credit refundable and permanent.

Notably the state earned income tax credit (EITC) becoming both refundable and permanent is very important for low-income and working class households, helping those living paycheck to paycheck pay the taxes they owe the state and have some money left over to take care of things like student debt and bills. When it comes to food/excise tax credits, we should be adjusting it to catch up with inflation.

What I consider one of the most important parts of this bill is the raise in the minimum wage. As someone who mainly works on environmental issues, I understand that poverty is a climate issue. Having a living wage is an important environmental issue. Hawai‘i is going need jobs to implement our renewable energy goals. We need jobs in clean and renewable energy to combat the climate crisis, but it’s important that these jobs pay a livable wage so that workers and their families can survive. You can’t survive with \$13/hr now in 2020 or ever here in Hawai‘i. The Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai‘i needs to earn \$17.63/hr to “meet their basic needs” in 2020. Others have said it's even higher. We need to at least **raise the minimum wage to at least \$17 by 2025**.

These are important economic issues that should be dealt with in different bills and deliberated on in a longer period of time, we can potentially lose amazing parts of this package like refundable and

permanent EITC because there are issues within HB2541 like the \$13 gradual raise in the minimum wage and food/excise tax credits. This is too much in one bill. And, frankly, you really can't replace the importance of having a decent wage in order to survive. Please reconsider this approach.

Mahalo for the opportunity to testify,

Jun Shin,
1561 Kanunu Street
Honolulu, HI 96814
Cell: 808-255-6663
Email: junshinbusiness729@gmail.com

HB-2541

Submitted on: 1/29/2020 2:13:42 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Evelyn Aczon Hao	Individual	Support	No

Comments:

I support the intent of this bill which is to raise the minimum wage. However, I would like to amend it to a living wage of \$17.00/hr. That is the amount that will truly help our hard working residents to be able to afford a basic and hopeful living. Many cities have already reached at least \$15.00/hr. Our people deserve the same consideration to address the higher cost of living in Hawaii.

Thank you.

HB-2541

Submitted on: 1/29/2020 1:36:37 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

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

Comments:

Support with amendments.

I am Deborah Kimball, retired.

You all know \$13 an hour is very inadequate. Please amend to raise the minimum wage to \$17 by 2025!

Mahalo.

HB-2541

Submitted on: 1/29/2020 2:27:03 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
noel kent	Individual	Oppose	No

Comments:

We all know that the working poor of Hawai'i are in desperate straits. The minimum wage of \$10.10 an hour is wholly inadequate to support even a single worker on a survival budget. The suggested raise over the next few years is also wholly inadequate and is nowhere near DBEDT figures of over \$17. We need an immediate raise this year to \$15. Anything less is a disgrace.

HB-2541

Submitted on: 1/29/2020 4:32:59 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn Braun	Individual	Comments	No

Comments:

Please amend this bill to \$17/hour by 2024. This raise is the minimal needed for a "living wage" by an individual trying to live in Hawaii, which is very expensive. This raise is ESPECIALLY important because access to affordable housing is so limited here, and food and gas are expensive too. Health is directly associated with wealth, and people living without earning at least a "living wage" are much, much more likely to be food insecure and homeless. They also are much more likely to develop chronic diseases, like diabetes, that are very costly to the state (as well as the individual). In the long run, guaranteeing a "living wage" as the minimum wage will improve the health of Hawaii.

HB-2541

Submitted on: 1/29/2020 5:30:52 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rodney Evans	Individual	Comments	No

Comments:

Aloha,

I am a UH graduate in Economics (UHWO) and MBA (UH Manoa). I cannot FULLY support this bill as it comes up FAR SHORT on the minimum wage issue. The 2008 economic solution by the Federal Reserve was to bail out banks instead of letting them fail and adjusting the loan values to actual income payment abilities of the homeowners. This causes huge problems because the Federal Reserve had to print and release huge amounts of additional currency to do this unprecedented move of bailing out the bankers from their gambling debt verses the tried and true practice of bailing out the homeowners and letting the banks fail, adjusting home values to ACTUAL market (versus inflated market). This huge influx of currency devalues the dollars value and therefore the wages earned in dollars. The only way for working families to keep up with this forced inflation is to have wages keep up. In today's market that means at least \$15 to \$17 an hour to break even in 2020, not years down the road. Other states and municipalities have increased their minimum wages to keep up and have very strong economies because of this. Hawaii should do the same.

HB-2541

Submitted on: 1/29/2020 6:25:32 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannah Smith	Individual	Comments	No

Comments:

Our efforts to raise the minimum wage are very short-sighted. Yes, we need to help these families, but minimum wage only hurts families in the long-run. It causes increased automation and job losses because businesses are struggling to pay their workers and provide benefits for their employees. We need to think long term and push for UBI.

HB-2541

Submitted on: 1/29/2020 7:38:50 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Leake	Individual	Support	No

Comments:

Why HB2541 Should Be Amended To Increase Minimum Wage To At Least \$17

As a new minimum wage for Hawaii is debated, we should all be familiar with the latest research on the topic. In case you are not familiar with it, I would like to introduce the work of Arindrajit Dube, a professor of economics at the University of Massachusetts at Amherst. His international reputation is such that he was engaged to author an “independent report on the impacts of minimum wages, to inform the UK government’s decisions on the remit of the Low Pay Commission beyond 2020.” This report based on international data was released in November 2019 and available here:

<https://www.gov.uk/government/publications/impacts-of-minimum-wages-review-of-the-international-evidence>.

Earlier in 2019, Professor Arindrajit summarized the research done in the USA for the general public in the Milken Institute Review (see <https://www.milkenreview.org/articles/making-the-case-for-a-higher-minimum-wage>).

The main argument against raising the minimum wage has always been that it potentially destroys jobs because employers can no longer afford to fill them. However, as Professor Arindrajit explains, the great weight of evidence shows this is generally NOT so. He summarizes his own meta-analysis of many studies that examined 130 minimum wage increases across the country since 1989. The results indicate that increasing the minimum wage:

- Does not noticeably reduce jobs over the next 5 years
- Boost incomes of bottom 20% of families
- A 20% increase in the minimum wage lifts 4-8% of families out of poverty
- Some of that is offset by less public assistance but on average workers keep 2/3 of the benefit while we (the government) saves
- Although companies absorb the higher cost, they also often benefit through lower turnover and easier filling of vacancies (which reduces recruitment, training, and paperwork costs).

We are constantly told that the minimum wage must not be increased much because it will hurt small family businesses. However, we suspect that what is really influencing our elected representatives is intensive lobbying from the highly profitable corporations that dominate Hawaii's service and tourism industries. With the above evidence in mind, I hope real action on behalf of Hawaii's struggling families will be taken by amending the current weak HB2541. The goal for 2025 should be at least \$17 per hour if there is to be real impact and public benefit.

HB-2541

Submitted on: 1/29/2020 8:09:56 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robin Hart	Individual	Support	No

Comments:

Aloha, My name is Robbie Hart, and I am writing in support of this bill with an amendment to increase the minimum wage to \$17 an hour. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour.

HB-2541

Submitted on: 1/29/2020 8:34:40 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
david gierlach	Individual	Comments	No

Comments:

While I welcome the refundable tax credits, nothing can make up for the failure to provide a living wage **now** when thousands more have fallen into houslessness. This policy must reflect the state's own data about what it takes to survive--\$17.50/hr at least-- otherwise it is not a good faith proposal, but merely more political cover for those too closely tied to a well off business community. The tax refund is a one time occurrence that helps with big expenses and debt. But too many of our people **need a living wage now** to just make it through the day, through the week, through the month.

The food excise tax credit, if I understand correctly, is not adequately thought through and in implementation may risk hurting households when one person gets a small raise that affects the family's eligibility.

In short, this bill is a start, but needs lots more work. While recognizing that tax relief and minimum wage increases are necessary, the bill doesn't go nearly far enough on either point. Let's be bold! Let's recapture the imagination that this Legislature had 30 and 40 years ago. We are quickly becoming that two tiered society of the extremely wealthy and the desperately poor. Only bold government action can reverse this tide. Let's move now when the economy is healthy, borrowing is cheap and the need is desperate. Thank you.

eli2 - Kevin

From: Heidi Schemp <hithereheidi@gmail.com>
Sent: Tuesday, January 28, 2020 8:52 AM
To: LABtestimony
Subject: Bill# HB2541 good but not great

I am pleased to see your recognition that our minimum wage is way too low. But \$13/hr is not enough to make a difference in people's lives. Once you account for taxes taken it's not even \$100 a week more. We have people living on the street. We need impact now. Please make this something we can be proud of. When minimum wage went from \$7.25 to \$10.10, the business community said they just could not afford it but look, we raised it \$3 and there was virtually no impact. Businesses are still healthy and people are still struggling. Let's try \$5 more this time or \$7 more. Phase it in like last time.

Also the EITC is good.

Thank you for serving the community. I appreciate the work you do.

Heidi Schemp
Kilauea, HI

eli2 - Kevin

From: Jessica Adinolfi <jnadinolfi@gmail.com>
Sent: Tuesday, January 28, 2020 9:02 AM
To: LABtestimony
Subject: Bill# HB2541 \$13 is not a living wage in Hawai'i

Aloha,

I am writing to share my position on Bill# HB2541. We are fortunate to live in such a wonderful place, but we work HARD to live here. Unfortunately, many hardworking people are not being paid a living wage. A minimum wage of \$13 in 2024 is ridiculously low. Tax credits and housing initiatives do not replace the basic need to pay people fair wages for a fair day's work. Let's show our people aloha and the value of their time, energy, and dedication to their trade - whatever it may be, by paying them a wage that allows them to not just survive but thrive as a critical part of our local economy. The minimum wage should be raised to \$15 per hour as soon as possible.

Sincerely,
Jessica Adinolfi

eli2 - Kevin

From: ediesmessage <ediesmessage@gmail.com>
Sent: Tuesday, January 28, 2020 9:04 AM
To: LABtestimony
Subject: Minimum Wage

It is imperative that the minimum wage raise to \$15/hr., bringing us into the 21st century. Everyone benefits as businesses malama their employees which ripples out to their communities.

IT IS TIME. DO THIS FOR OUR PEOPLE.

Mahalo.

Edie Van Hoose

Health Professional

Lahaina, Maui

Sent from my iPhone

eli2 - Kevin

From: Mark Chambers <chambershi@gmail.com>
Sent: Tuesday, January 28, 2020 9:07 AM
To: LABtestimony
Subject: HB2541

Cost of everything goes up when you artificially raise minimum wage. Hawaii is already very expensive and raising minimum wage will cause food, rent, utilities, etc. to increase. This only benefits people that has rental units and other companies that will try to skim the increase minimum wage increase. I already dine out less and shop less. Companies will go out of business or hire less for less hours. This will be a mistake!

eli2 - Kevin

From: Elizabeth Jordan <eljordan@yahoo.com>
Sent: Tuesday, January 28, 2020 9:10 AM
To: LABtestimony
Subject: Minimum Wage HB 2541

Good heavens! \$13 per hour is NOT a good first step. When I was teaching Middle Schoolers, I saw first hand the trauma caused by the poverty their families suffered working minimum wage jobs. We have to take better care of our future.

Mahalo for your consideration,
Elizabeth Jordan
Wai`anae

eli2 - Kevin

From: Sindhu <sindhu@upcountrywaterfeatures.com>
Sent: Tuesday, January 28, 2020 9:15 AM
To: LABtestimony
Subject: 13\$

By no means 13\$ minimum wage are enough, it does not even pay the rent ! 15\$ is still little enough!!

Aloha for a better Hawai'i

Sincerely Sindhu Rumpler Kula/Maui

eli2 - Kevin

From: J Moss <moss.jade.e@gmail.com>
Sent: Tuesday, January 28, 2020 9:24 AM
To: LABtestimony
Subject: HB2541 falls short

Aloha members of the Labor and Finance committees,

I hope this email finds you well.

I'm writing to provide my testimony representing myself as an individual and mother of two children living on Kauai.

You all know that this minimal and incremental increase to the minimum wage is only baby steps. This will make hardly a difference to working families in Hawaii. The housing crisis, preschool costs, and gas prices are far too great in comparison.

We need to meet this cost of living with a more bold yet doable amount of at least \$15 per hour starting 2020-2021.

I will keep this short, but please know that I do not support this bill in the current state. Please increase these amounts and move the timeline way up.

Mahalo nui loa,
Jade Moss
P.O. Box 1214
Kalaheo, HI 96741

eli2 - Kevin

From: Katherine Orr <ksorr8@gmail.com>
Sent: Tuesday, January 28, 2020 9:27 AM
To: LABtestimony
Subject: Bill# HB2541 doesn't do the job

I feel the minimum wage in Hawaii must be raised to \$15 an hour. I lived on Cape Cod during the 1980s, and I remember the many economic problems and challenges that resulted because the minimum wage workers who supported the tourist economy could no longer afford to work on the Cape. They couldn't find affordable housing or earn the minimum income they needed to make the long commute from more affordable areas.

To live sustainably means to support all segments of the economy so it will function.

Sincerely,
Katherine Orr

eli2 - Kevin

From: Sharon Douglas <sharrydouglas@yahoo.com>
Sent: Tuesday, January 28, 2020 9:29 AM
To: LABtestimony
Subject: Is HB2541 pono?

My position on HB2541 is:

I am grateful to live in the aloha state and passing a measure that reaches the \$17 target and includes annual cost of living increases is more in line with a community based on accepting their kuleana to take care of our ohana. It is pono to empower Hawaii's working families to eventually achieve a true living wage.

\$13 per hour in 2024 is not enough and the "other elements of the package" (tax credits and housing initiatives) does not address the issue of fair compensation. When members of our extended ohana work long hours and receive compensation they cannot live on, they give up on making a contribution to the system, turning instead to welfare, crime, drugs etc

Surely it serves our community and state to, at the very minimum, allow legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

Let's build an empowered community. We are an interconnected web and ultimately we all benefit when we do what deep down we know is pono.

Sent from my iPhone
Sharon Douglas
3151 B Wawae Place
Kalaheo
(808)652-1896

From: Linda Caraway <linda2911@icloud.com>
Sent: Tuesday, January 28, 2020 9:34 AM
To: LABtestimony
Subject: Hawaii Minimum Wage

My position and message on HB2541 is as follows:

\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is at least \$15 per hour beginning in 2021.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.

It is high time for Hawaiians to have a living wage, for us to be able to enjoy life and no longer work as slave labor for corporate America. Since corporations profiting in Hawaii will not increase wages of their own volition, it is crucial that Hawaii legislators stand up for our people. You need to stand up NOW. Waiting to enact this another four years from now in unacceptable.

Mahalo nui loa for your kokua,

Linda Caraway
4400 Ahopueo Dr
Kalaheo, HI 96741

eli2 - Kevin

From: Kevin Roddy <kmroddy@gmail.com>
Sent: Tuesday, January 28, 2020 9:35 AM
To: LABtestimony
Subject: \$15 Minimum Wage is essential

Hello,

I believe \$15 is an appropriate minimum wage for the workers in Hawaii. Too many people must work multiple jobs to make ends meet. The extra time they have to spend at a 2nd, or even a 3rd jobs, takes them away from family, childrearing, and community responsibilities as well recreation opportunities to recharge their batteries as we all need.

I strongly support a \$15 minimum wage.

Aloha,

Kevin Roddy
3032 Alencastre Place
Honolulu, HI 96816

From: Diane Ware <volcanogetaway@yahoo.com>
Sent: Tuesday, January 28, 2020 9:45 AM
To: LABtestimony
Subject: HB2541 support with \$15 now, \$17 by 2024

Dear Committee Members,

People are leaving Hawaii, homelessness continues and no clear means for residents to keep up with living costs. Even 2% inflation will eat up \$13 in no time. I have testified before asking for \$15 minimum wage. The tourist industry is good for affluent visitors while locals flounder at the bottom.

My position and message on HB2541 is as follows:

"\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

Respectfully,

Diane Ware
808-967-8642
P. O. Box 698
99-7815 Kapoha
Volcano HI 96785

eli2 - Kevin

From: MauiMercer <mauimercer@gmail.com>
Sent: Tuesday, January 28, 2020 9:48 AM
To: LABtestimony
Subject: HB2541

Aloha,

I totally disagree that \$13/hr by 2024 is any kind of a good first step or even a worthwhile goal to put any energy into. If a living wage in Hawaii is \$17/hour where will all the working people of Hawaii come up with that extra money. Selling drugs or maybe living on the street so they can afford food.

I strongly encourage the Labor and Finance Committee to increase the 'first step' wage increase to at least \$15/hr. Please support a living wage that will help people live with dignity in Hawaii.

Mahalo,

Janet Mercer
Haiku HI

eli2 - Kevin

From: abontje@hawaii.rr.com
Sent: Tuesday, January 28, 2020 9:57 AM
To: LABtestimony
Subject: Minimum Wage

I can not imagine that my lawmakers in my State are considering \$13.00 to be a fair minimum wage. My wife and I are paying the people who keep our yard and house in order \$25.00. Anything lower is unethical and exploitation.

Sincerely,

Adrian Bontje and Pearl Wollin
4120 Omao Road
Koloa HI 96755

eli2 - Kevin

From: Jerry Misner <ojmisner@yahoo.com>
Sent: Tuesday, January 28, 2020 10:00 AM
To: LABtestimony
Subject: Bill #2541

The proposal to raise the minimum wage, thus leaving the marginally employable without jobs and on the street should be completely rejected. How can you possibly believe that you have the ability to determine what people should be paid? After all, your decisions have led to the elevated rail disaster in Honolulu, the ugly stupidity of the Mauna Kea protest, corruption scandals, and endless other questionable practices. Let the market decide what salaries are paid. In a truly free market, there at least will be no corruption.

Jerry W. Misner
317 Leoki Pl
Makawao, HI 96768-8045

eli2 - Kevin

From: Nana Manuel <nanainvolcano@gmail.com>
Sent: Tuesday, January 28, 2020 10:08 AM
To: LABtestimony
Subject: HB2541

\$13 in 2024 is too little, too late. The working poor deserve more now. Please give minimum wage a real hike towards an actual living wage. EIC & credits are helpful but do not satisfy the need of many now...

Hopefully,

Nana Manuel

eli2 - Kevin

From: Bernadette <bestbusybees@gmail.com>
Sent: Tuesday, January 28, 2020 10:09 AM
To: LABtestimony
Subject: Minimum wage

Aloha,

Seriously is this a joke? The cost of living here is highest in the nation and our minimum wage it's just not enough. It's sad that families are having to work two and three jobs and still cannot make ends meet. Completely unacceptable!!
Sent from my iPhone

eli2 - Kevin

From: D Freund <danfreund@hotmail.com>
Sent: Tuesday, January 28, 2020 10:11 AM
To: LABtestimony
Subject: HB2541 - Do the right thing: \$15/hour NOW. not four years from now.

We need more than a "first step" to protect our poorest Hawaii workers. Let's do the right thing. Let's do the fair thing. Let's do **\$15/hour now and add \$1/hour over the next two years** to reach \$17/hour.

Why not do it?

Some say it will cost jobs. We have a full employment economy. The few folks who would lose their jobs will find new ones. And those new jobs will pay something closer to a living wage.

Some say it will raise prices. I, for one, am willing to pay an extra 10 cents for my McDonald's burger so that my fellow citizens can earn a decent living.

Let's stop with the excuses and **do the right thing now, not four years from now.**

Dan Freund
5609A Honua Rd.
Kapaa, HI 96746

eli2 - Kevin

From: Valerie Weiss <valerieweiss31@gmail.com>
Sent: Tuesday, January 28, 2020 10:13 AM
To: LABtestimony
Subject: HB2541

Aloha.

We cannot continue taking advantage of the working poor. \$13.00 an hour is an appalling amount for those working full time and trying to make ends meet. We should be ashamed of ourselves that we have not done better for our large amount of under paid workers.

It's not just the minimum wage earners but plenty of others who earn slightly more and yet still need food and housing assistance. These low wage workers will also need assistance once they reach retirement age and have not been able to save for their old age.

Let's break this cycle of exploitation because that's exactly what it amounts to. Hawaii we can and must do better than this.

Mahalo for your consideration of the working poor.

Valerie Weiss
Kapaa

eli2 - Kevin

From: Henri Etta Schmitz <henriettarexroad@hotmail.com>
Sent: Tuesday, January 28, 2020 10:15 AM
To: LABtestimony
Subject: HB 2541.....\$13 NOT NEARLY ENOUGH!

It's demeaning to island workers to suggest that \$13/hr in 2024 would be a living wage. Respectfully, Henri Etta Schmitz,
Paauilo, HI

eli2 - Kevin

From: Lisa Maria <lisa.on.lanai@gmail.com>
Sent: Tuesday, January 28, 2020 10:18 AM
To: LABtestimony
Subject: HB2541 minimum wage

Follow Up Flag: Follow up
Flag Status: Flagged

Aloha,

I write re: HB2541 which proposes to increase the minimum wage but only to \$13 per hour by 2024. I moved to Hawaii in 1996, and was shocked then that so many people I knew worked 2 or 3 jobs just to feed their families, and hopefully provide them with housing. Even professional people like teachers worked at Macy's over Christmas and summer.

I was not shocked, 10 years later, when a co-worker fell asleep at the wheel due to exhaustion, leaving her 4 children without a mother. I believe the current minimum wage, and the one proposed in this measure, contribute to the misery and yes, even deaths, of our hard working friends, family and neighbors.

Please change this measure, to give people at least \$15/hour, and hope for more in the future. If that cannot be done, please create a new measure, as this one is too flawed to help.

Thank you for your consideration.

Lisa Galloway, PhD
Lana'i City, HI 96763
(808) 565 7900

eli2 - Kevin

From: Shannon Rudolph <shannonkona@gmail.com>
Sent: Tuesday, January 28, 2020 10:31 AM
Subject: HB 2541 - Too little, too late. - We Need \$17!!!

Aloha LAB,

As today's "Civil Beat" states:

"Two-Thirds of Hawaii Residents Struggle Financially

Residents cope by working multiple jobs, living with relatives and tapping savings, a new study shows." This is the year our minimum wage MUST change! Even \$15 is not enough to live in Hawai'i. Please throw Hawai'i residents more than crumbs & endless talk this year! People are really struggling, please open your eyes! I am a 37 year resident of Hawai'i & have watched as people fight harder & harder just to maintain a roof over their heads & go deeper into debt and depression just to maintain the most basic necessities. You must 'do the right thing' this year to REALLY support Hawai'i families & workers! That means \$17 - any less is a joke and slap in the face. Not a good look in an election year. Mahalo, Shannon Rudolph P.O. 243 Holualoa, Hi. 96725

I agree with the statement below:

Re: HB2541

"\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

--

How wonderful it is that nobody need wait a single moment before starting to improve the world. ~ Anne Frank

Hawai'i Register to Vote!

<http://olvr.hawaii.gov/>

eli2 - Kevin

From: Michael Williams <michaelwilliams@pueofarm.com>
Sent: Tuesday, January 28, 2020 10:40 AM
To: LABtestimony
Subject: Minimum wage-low income tax credit--HB2541

I urge the Leg to rise minimum wage to \$15/hr now, scaling up to \$17 in three years. The proposal to go only to \$13 and not for several years is way too timid. A higher minimum wage will help not hurt Hawaii's economy.

Making the LITC fully refundable is a good idea. You should also be increasing the GET rebate for all low income residents.

Mahalo for the opportunity to comment.

Michael Williams
20 Pulehunui Rd
Kula 96790

eli2 - Kevin

From: Sheri Joy <sheerjoy4ever@gmail.com>
Sent: Tuesday, January 28, 2020 10:40 AM
To: LABtestimony
Subject: hb2541

Follow Up Flag: Follow up
Flag Status: Flagged

WHERE ARE YOUR HEARTS.. HOW CAN YOU FAT CATS LIVE AND EAT WELL AND YOU VOTE TO STARVE THE REST OF AMERICA. \$13 AND NOT UNTIL 2024. WHAT DO THEY DO NOW.
YOU MAKE ME SICK THAT YOU CAN EVEN CONSIDER DOING THAT. ENOUGH IS ENOUGH. I PRAY YOUR KARMA IS RIGHT IN YOUR FACE.

eli2 - Kevin

From: dolly wijas <dolly@ktg.agencymail.com>
Sent: Tuesday, January 28, 2020 10:54 AM
To: LABtestimony
Subject: Bill #2541

Hello,

I have lived on Kauai for over 30 years and I can tell you that \$13 an hour as a starting pay is NOT a living wage. For many years I had to work 2 jobs to support myself and my daughter. Living expenses in Hawaii are so high-rents are thru the roof. My son manages a restaurant and he said 7 of his workers live in their cars because they cannot afford the cost of renting a room or a condo on the wages they earn. (He is in favor of \$18 per hour, but his boss thinks otherwise)

At least start by passing a bill that folks will earn at least \$15 an hour with a steady increase over the next few years. YOU try living on \$13 an hour and see how well you do. Not everyone is blessed with "connections" or family to help them out, or the ability or means to get a better education, in order to be able to have a better life.

Aloha,

Mary Wijas

dolly@ktg.agencymail.com
PO Box 377
Kilauea, HI 96754

eli2 - Kevin

From: bethleeds22@yahoo.com
Sent: Tuesday, January 28, 2020 11:02 AM
To: LABtestimony
Subject: Breaking News! Agreement reached for \$20/hr!

Aloha Decision Makers!

It's 2020! And another year has passed and a emergency demand for \$20/hr. has been met.

Please be advised that the 1st act of the New Year is with aloha!

Mahalo for surprising everyone by voting for a really decent hourly wage. Everyone will admire you! And that increase will really help your constituents.

So, thank you,

Love,

Beth Leeds, Citizen In Action

The 2020 Club

bethleeds22@yahoo.com

949-295-6298

eli2 - Kevin

From: Lew <lew@kokolulu.com>
Sent: Tuesday, January 28, 2020 11:08 AM
To: LABtestimony
Cc: Karin Cooke RN
Subject: Bill# HB2541. (\$13 is not enough, \$15 or fight, Hawaii deserves a living wage etc)

Bill# HB2541. (\$13 is not enough, \$15 or fight, Hawaii deserve.
\$17 we recommend, with cost of living increases.
Mahalo!

HunYuanLingTong

Typos compliments of my iPhone!

Lew Whitney and Karin Cooke RN
Kokolulu Farm and Cancer Retreats in Hawaii P.O. Box 340 Hawi, Hawaii 96719
808 - 889-9893
www.kokolulu.org

Please note the time difference when calling us. We are 6 hours earlier than the east coast and 3 hours earlier than the west coast of the mainland USA.

eli2 - Kevin

From: Philip LaVoie <philip_lavoie@yahoo.com>
Sent: Tuesday, January 28, 2020 11:11 AM
To: LABtestimony
Subject: Bill# HB2541 \$13 per hour is not enough

Follow Up Flag: Follow up
Flag Status: Flagged

Aloha,

Paying all workers a decent wage will help our local economy. People earning minimum wage spend nearly all their income. \$13 is not good enough. \$17 would be better for the Hawai'i economy.

Aloha & Mahalo,
Philip Lavoie
950 Laki Road, Apt. A
Honolulu, HI 96817

eli2 - Kevin

From: Glenn Choy <choyhawaii@gmail.com>
Sent: Tuesday, January 28, 2020 11:25 AM
To: LABtestimony
Subject: minimum wage

\$17 minimum is absolute bottom. Listen to the people, not the lobbyists.

eli2 - Kevin

From: Eugenia loathed <eugenialowther@aol.com>
Sent: Tuesday, January 28, 2020 11:35 AM
To: LABtestimony
Subject: Minimum wage

Please !

The people of Hawaii are suffering with low wages the cost of living is so high People can't survive on the wages they are making 15.\$ is absolutely necessary to lead to 17.\$ eventually up to twenty.This is leading to an increase In homelessness in Hawaii Who can afford the expensive rents on this island. Can't change the rent prices the wages have got to come up to be able to meet these prices it's only logical.

Please do the right thing:

Eugenia Lowther

Sent from my iPhone

eli2 - Kevin

From: Elise Swope <eswope@yahoo.com>
Sent: Tuesday, January 28, 2020 11:35 AM
To: LABtestimony
Subject: HB2541

Hawaii needs a real living wage. \$13/ hour does not cut it now and is even less likely to in 4 years. Why are you proposing a lower minimum wage than the proposed federal minimum wage of \$15/ hour? Our cost of living is the highest in the country. In addition, tying this to the earned income tax credit ensures keeping some people in poverty. We need the EITC, and a real living wage/ \$15 now, \$17 in 2024.

Elise Swope
96744

eli2 - Kevin

From: ted bohlen <tbohl8@yahoo.com>
Sent: Tuesday, January 28, 2020 12:23 PM
To: LABtestimony
Subject: Hb2541

I am salaried, but for others struggling in Hawaii, it is time to require a living wage! \$13/ hour in 2024 is not enough; it should be \$15 in 2021 and \$17 in 2023, with COLAs. I support the Earned Income Tax Credit as well. Please give a raise now for those with lower incomes to help make Hawaii affordable for them. Mahalo!

Sent from my iPhone

From: mak221@aol.com
Sent: Tuesday, January 28, 2020 12:26 PM
To: LABtestimony
Subject: HB2541 is not good enough

Honorable Legislators:

Re: HB2541

\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.

Mark Koppel

Umauma

eli2 - Kevin

From: Janet Goodmanson <janetgoodmanson@gmail.com>
Sent: Tuesday, January 28, 2020 12:57 PM
To: LABtestimony
Subject: Minimum wage

We all know the cost of living in Hawai`i is prohibitive. To pass a bill that gives a minimum hourly wage of \$13 is not sufficient. Please review this amount and see if you can get it to at least \$15/hour, if not more.

Janet Goodmanson

*PO Box 747
Kealahou, HI 96750*

*(H) (808) 324 5212
(C) (302) 540 3492*

eli2 - Kevin

From: Michael Goodwin <goodwinkip@gmail.com>
Sent: Tuesday, January 28, 2020 12:58 PM
To: LABtestimony
Subject: Hb2541

On behalf of my senior citizen friends who are consigned to work until they die because their low wage employment disallowed them from saving for retirement, I strongly urge you to revise HB2541 to raise the minimum wage to \$17/hour, the "scrape by" income studies show workers in Hawaii need.

Thank you for your consideration.
Michael Goodwin
6294Q Olohena Road
Kapaa

eli2 - Kevin

From: Wil Welsh <wilwelsh2@yahoo.com>
Sent: Tuesday, January 28, 2020 12:59 PM
To: LABtestimony
Subject: HB2541 Testimony

Honorable Legislators,
HB2541 has many good aspects, but the one glaring weakness is how it addresses raising the minimum wage. A few dollars in nearly four years? The point here is to catch up on past deficiencies, make some attempt to encouraging livable wages for the people who do so much for our daily lives. Raise the minimum wage to \$15 now! If you're determined to phase it in, add \$1 a year starting immediately and lasting for, say, five years. I urge you to address an issue that affects so many workers in our State.

I am a 55 year resident of Kauai and have, over the years, seen the purchasing power of minimum wage earners slowly diminish. This is not, of course, all in your power to correct. But, at the very least, the minimum wage needs immediate and dramatic attention, not tiny improvements.

Thank you for your service to our beautiful State and your attention to this critical need.

Sincerely,
Wil Welsh
Kauai, Hawaii

--808 652 8178

eli2 - Kevin

From: Kim Toomey <toomeyhi@gmail.com>
Sent: Tuesday, January 28, 2020 1:12 PM
To: LABtestimony
Subject: HBO #2541

Aloha,

I am appalled to hear that \$13.00 an hour minimum wage in 2024 is being considered seriously! That falls ridiculously short of a livable wage. Look around you at folks working two jobs, young people being forced to leave the island, worker shortages, substandard housing crisis and growing homelessness. Do you believe these issues are unrelated to minimum wage? Do you honestly think \$13.00 hourly in another 4 years will improve anything? Of course not. You know the truth of it. So, step up and actually try to help solve the problem. Many other places have managed \$15.00 an hour and their cost of living is lower.

Go revise this Bill so that it provides relief, hope, and solutions.

eli2 - Kevin

From: Lisa darcy <dimsumnyc@aol.com>
Sent: Tuesday, January 28, 2020 1:20 PM
To: LABtestimony
Subject: Bill# HB2541 needs to change from 13\$ to 17\$ now

My position and message on HB2541 is as follows:

\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

A good first step” is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.”

With much appreciation,

Lisa Darcy

Maui County resident

eli2 - Kevin

From: Laurel Brier <browerr001@hawaii.rr.com>
Sent: Tuesday, January 28, 2020 1:23 PM
To: LABtestimony
Subject: HB 2541 - for & against

As a state employee for 40 years working with Vocational Rehab I witnessed the economical inequality of people trying to live on minimum wage. Please begin to raise the minimum wage immediately and set a substantial goal of \$15 to \$17 in the next 5 years. I agree with have an Earned Income Tax Credit and believe that is an important part of the bill.

Thank you for your action on this very important matter.

Yours truly,

Laurel Brier

Anahola, Kauai

eli2 - Kevin

From: Cj Baehr <cjbaehr@hawaiiantel.net>
Sent: Tuesday, January 28, 2020 1:30 PM
To: LABtestimony
Subject: HB2541 Minimum Wage

Get REAL, ladies and gentlemen!

Raise the minimum wage to at LEAST \$15/hr. Now! Not later!

This is Hawaii we're talking about.

We have so many enormously wealthy folks here it should be an embarrassment. Let's do a better job of taking care of the rest our families!

Now!

Cj Baehr

eli2 - Kevin

From: kate mink <coralreefk8@gmail.com>
Sent: Tuesday, January 28, 2020 1:31 PM
To: LABtestimony
Subject: \$15 an hour is a MINIMUM

Aloha,

I too feel that strongly that we should have a legally mandated \$15 an hour minimum wage. Even that is very hard to live on, especially here in Hawaii. I am willing to pay more for goods and services to support human decency.

Kate Mink

eli2 - Kevin

From: Chester Mazurowski <chetkapaa@gmail.com>
Sent: Tuesday, January 28, 2020 1:33 PM
To: LABtestimony
Subject: Minimum wage

The minimum wage in Hawaii should be \$15 an hour. Many people are working multiple jobs just to get by here.

Mahalo,

Chester Mazurowski

eli2 - Kevin

From: Steven Costa <thnxkeakua@gmail.com>
Sent: Tuesday, January 28, 2020 1:34 PM
To: LABtestimony
Subject: HB2541

Aloha! How can you honestly say, that \$13, is a livable wage. Shame on you. Rev Steven+

From: Suzie Holmes <sholmeshawaii@gmail.com>
Sent: Tuesday, January 28, 2020 1:48 PM
To: LABtestimony
Subject: Minimum Wage-\$13 not enough.

I dare anyone voting on this to live on less than \$13.00 per hour, 40 hours a week, for a year. Then come back and tell me this is a good "first start". Hawaii is way behind in their wages based on cost of living here. California is very expensive, but they pay their workers a lot more per hour.

I know this because a California company bought out the locally owned company I worked for. They

immediately raised all employees wages, stating "we're going to bring you up to California standards". It was blatantly obvious to them that decent employees cannot be expected to survive on the minimalist wages in Hawaii.

A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour. Do not tie this issue with the EIC. The EIC is great but doesn't help anyone without children.

I'm 62 years old and have been in the same industry for 45 years. Since moving to Hawaii 12 years ago, I have yet to receive one cost of living increase. The only increase I ever received was when the California company bought the local company I worked for. I don't want to see local businesses fail. We need a strong minimum wage for all concerned.

Mahalo for your attention.

Suzanne Holmes

eli2 - Kevin

From: Jenn Tyler <jtyler@happyswimmers.com>
Sent: Tuesday, January 28, 2020 2:01 PM
To: LABtestimony
Subject: HB2541 \$13 is not enough, \$15 or more

Thank you
Jenn Tyler
Wailua Homesteads, Kauai

eli2 - Kevin

From: Bibiana Potter <bibiana@hawaii.rr.com>
Sent: Tuesday, January 28, 2020 2:03 PM
To: LABtestimony
Subject: HB2541

I hereby urge you to voting on increasing the minimum wage to the amount of \$15 with the goal to increase it to \$17 by 2024.

My husband and I have raised two daughters (22 and 25 years old) in Hawaii. Both girls live and work on the mainland. Both of them are deeply connected with Hawaii and would love to work and live in Hawaii, contributing to the economy and eventually raising a family. With the high cost of living in Hawaii nei and a the low minimum wages, they realize that they will have much better chances to meet their basic financial needs and to raise a family. Most of their class mates have chosen the same path of leaving Hawaii for a better, financially stable live on the mainland.

It is appalling how many people in Hawaii work one or more jobs and still live either on the verge of or in poverty. It affects not only their mental health but also their physical heath and their dignity of people who live in one of the richest countries in the world.

I URGE you to consider the impact of your vote on your fellow citizens and support their most basic needs. Raise the minimum wage to \$15.

Mahalo nui loa,
Bibiana Potter
Teacher in Honolulu

eli2 - Kevin

From: Elisabet Sahtouris <elisabet@sahtouris.com>
Sent: Tuesday, January 28, 2020 2:22 PM
To: LABtestimony
Subject: Bill# HB2541Hawaii deserves a living wage

I agree with Gary Hooser that:

"\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

So, I am urging you to take better action to keep our population viable¹

malama aina!

Elisabet Sahtouris

Elisabet Sahtouris, PhD
Professor in Residence
CHAMINADE UNIVERSITY
School of Business & Communication
Honolulu, Hawaii

mail to: Dr. Elisabet Sahtouris
750 Amana Street, Suite 1808
Honolulu, HI 96814 USA

eli2 - Kevin

From: G Hooser <garylhooser@gmail.com>
Sent: Tuesday, January 28, 2020 2:40 PM
To: LABtestimony
Subject: Testimony on HB2541 - \$13 per hour is not a "good first step" Hawaii's workers deserve \$17

My position on HB2541 is as follows:

"\$13 per hour is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

Please amend HB2541 accordingly.

Gary Hooser
Individual

eli2 - Kevin

From: Stacey Arnold <staceyjanearnold@gmail.com>
Sent: Tuesday, January 28, 2020 2:49 PM
To: LABtestimony
Subject: HB2541: \$13 per hour is not enough

We all know that \$13 per hour is not enough to live on. No one should be forced to work two or more jobs just to survive. A better first step would be \$15 per hour with built in increases to \$17 per hour.

Jane Arnold
1763 Iwi Way #D
Honolulu HI 96816

eli2 - Kevin

From: Marsha Hee <hulahee@gmail.com>
Sent: Tuesday, January 28, 2020 3:05 PM
To: LABtestimony
Cc: Sen. Kaiali'i Kahele; Rep. Chris Todd; Sen. Karl Rhoads; Rep. Sylvia Luke; Sen. Ronald D. Kouchi; Sen. Russell Ruderman; Rep. Richard Onishi; Marsha Hee
Subject: HB2541 \$13/hr not enough, \$15/hr better, HI needs living wage, etc.

Aloha,

We are long-time voting residents of Hawaii.

We humbly and URGENTLY ASK once again FOR YOUR LEADERSHIP to pass a INCREASE MINIMUM LIVING WAGE measure that goes beyond \$13/hr (not nearly enough) in HB #2541.

We favor "a more fair first step" that pays \$15-\$17/hr. including annual cost of living increases. That is the step Hawaii's hard-working individuals and their families deserve and desperately need if we are **to achieve a true living wage** sooner than later. We rely and urge your leadership and political will to **allow legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.**

Sincerely,

Marsha Hee & Howard Shapiro

(Sen. D-2, Rep. D-3 in Volcano 96785)

(prior Sen. D-8, Rep. D-15 Lihue 96766,

also Sen. D-13, Rep. D-25 Pauoa 96813)

(808) 985-8725

hulahee@gmail.com

--

From: Matthew S. LoPresti <matt_lopresti@yahoo.com>
Sent: Tuesday, January 28, 2020 8:49 PM
To: LABtestimony
Subject: Re: HB 2541 partial support and comments re minimum wage

Please amend my testimony re the typo in the first line which should read "I offer testimony in *limited* support of ..."

Matt LoPresti, Ph.D.

On Tuesday, January 28, 2020, 03:28:21 PM HST, Matthew S. LoPresti <matt_lopresti@yahoo.com> wrote:

January 28, 2020

Aloha Chair Johansen, Vice Chair Eli, and Honorable members of the House Labor Committee:

I offer testimony in *limited* support of support of HB2541: RELATING TO HELPING WORKING FAMILIES, and with comments in relation to the portion of the bill related to increasing the minimum wage.

To begin with, **I applaud and wholeheartedly support and encourage you to vote yes with regard to the portions of this bill that makes permanent the state earned income tax credit that the legislature passed not too long ago and also with regard to increasing the refundable food/excise tax credit.** These measures will undoubtedly have a positive impact on the lives of all those struggling to make ends meet in Hawaii and they certainly deserve the very genuine attention and support that the majority caucus has given to them in this bill. I hope these proposals are carried through to the end by the legislature and signed into law by the governor.

Because so many in Hawaii live paycheck to paycheck, however, any robust focus on helping working families really needs to be on workers' paychecks and take-home pay by offering a more meaningful and swifter raise to the minimum wage. Indeed, the other positive proposals mentioned above deserves to be separated from the minimum wage portion of the bill - which should be offered in an entirely different bill, as it is deserving of singular attention and debate without being muddled by these other entirely positive proposals which, while wonderful and good, may only serve to obfuscate the primary issue so many in the state care about, viz., increasing the minimum wage.

With regard to the overly timid proposal regarding minimum wage, however, it is my sincere hope that you cannot in good conscious support such a pusillanimous proposal. To merely increase the minimum wage to a meager \$13/hour years and years from now is folly. Many employers already offer wages close to this already due to labor market pressures of low unemployment. **At Starbucks, starting pay is *already* \$12/hour!** Indeed, I am sad to say that it is difficult to make a sincere case that the current proposal of \$13/hour (years and years from now)

approaches even *symbolic* concern "RELATING TO HELPING WORKING FAMILIES" as the title of the bill suggests.

Significant amendments are required in this portion of the bill for it to really have any meaning at all, for **there is little point in legislating wage requirements that the market itself has already arrived at out of necessity.** Real support for working people with regard to take home pay means *actual* raises in the functional minimum wage, which is already at or near the proposed language of HB2541. **As written HB2541 does not and will not result in an actual raise in wages for many workers** and so I encourage you to **(A)** make significant amendments for this bill as a whole to earn your vigorous support to move it forward, or **(B)** please consider voting only in support with reservations until this portion of the bill sees a robust makeover or **(C)** is instead offered in a stand-alone minimum wage increase bill. Any of these three options are sure to signal your genuine support "RELATING TO HELPING WORKING FAMILIES" with regard to their take home pay.

A separate argument deserves to be made, perhaps more robustly by others, with regard to "just in time scheduling." Because many without better job opportunities who work minimum or near minimum wages obviously cannot make ends at current pay levels, they required additional employment to make ends meet but are unable to do so. They find themselves in a catch-22 because while they need a second or third job, they are functionally prohibited from even holding additional jobs due to an increase in "just in time" scheduling practices by those who employ laborers at the lower end of the pay scale. Protections must be implemented for workers to protect them from these practices, which make it nearly impossible to hold additional jobs - or sometimes prevents them from even hold one job while also having children, going to school, or having any other basic human obligations because employers use these scheduling systems to utterly control the lives of their employees. Requiring workers wait on the beck and call of the employer like this prevent employees from being able to schedule a second job, go to school to get a better job, plan doctor appointments, regularly schedule pick-ups of children from school or make real plans to be with family or friends more than a week or two in the future. **Any addressing of the minimum wage must also require worker protections from "just in time" scheduling, otherwise we condemn employees to be wage slaves with little to no control over when they are allowed to live their lives beyond their jobs.** Please consider addressing this issue in tandem with minimum wage discussion.

To conclude, please do pass the portions of this bill to makes permanent the state earned income tax credit and to increasing the refundable food/excise tax credit, but **I hope and pray that the legislature finds a way to support increasing the minimum wage in more than just a symbolic fashion. Unless and until that happens please only vote yes with reservations to send a strong message about your commitment to economic justice.**

Thank you for your time and sincere efforts and attention to helping working families in Hawaii.

Sincerely,

Matt LoPresti, Ph.D.

P.S. I expect to be present at the hearing and hope to offer verbal testimony beyond what is contained herein.

eli2 - Kevin

From: Noreen Dougherty <montessorihale@gmail.com>
Sent: Tuesday, January 28, 2020 3:47 PM
To: LABtestimony
Subject: HB2541 support with an amended \$15/hr. increase

House Representatives:

I have lived in the state of Hawaii for 43 years and have watched families struggle working multiple jobs in order to barely make, or not quite make ends meet.

As a single mother, I couldn't make it with 3 jobs and I was a teacher in a private school making substantially more than minimum wage. I went in debt for the necessities that we needed. The minimum wage in relation to the cost of living in Hawaii is very out of balance.

Parents working for minimum wage are constantly stressed. All children in Hawaii deserve to have a better life with parents that can enjoy time with their children.

The economy and quality of life will improve for all of us when a reasonable wage increase is passed and implemented.

Please amend the bill to allow for a \$15/hr minimum wage. \$13/hr. will not benefit the families enough to make a substantial difference. The self esteem of our working people need to be strengthened.

I would be in favor of the bill if the wage increase was \$15/hr.
Mahalo.

Noreen Dougherty
Kapaa, Kauai

From: Meredith Buck <mbucknova@gmail.com>
Sent: Tuesday, January 28, 2020 4:50 PM
To: LABtestimony
Subject: We need a living wage

Aloha,

I am writing to submit my testimony on Bill HB2541 related to the minimum wage. Below is the testimony I also submitted on the Hawai'i State Legislature website.

Mahalo,
Meredith Buck
Kailua Kona, HI

In opposition to HB2541:

This bill as it stands has elements that are great, but overall it is totally off the mark and not good enough. Right now an individual needs to work over 140 hours per week at minimum wage just to cover basic living expenses. How is \$13/hr really going to help, especially when postponed until 2024? Many legislators are fighting with us for \$15, and even that is low. We need a higher minimum wage, and we need it now. I suggest taking money away from development, and investing in existing residents' quality of life with \$17/hr minimum wage.

eli2 - Kevin

From: Dante Carpenter <carpenterd@hawaiiintel.net>
Sent: Tuesday, January 28, 2020 5:24 PM
To: LABtestimony
Cc: Dante Carpenter
Subject: HB 2541

Dear Chair & Committee Members:

1. Recognizing the good intentions of this bill, the amount of increase for the "Minimum Wage" in Hawai'i needs to be increased to a range near or at 17 dollars per hour.
2. Please reevaluate the realities of this important measure!
3. The minimum cannot be less than that approved by other States in the U. S., especially those with lower lower "costs of living" when compared to Hawai'i!

Mahalo for your understanding and appropriate action!

Dante Carpenter
Former Elected Official
(808) 358-7104. (Cell)

eli2 - Kevin

From: Keo Von Gogh <makiaweli2012@gmail.com>
Sent: Tuesday, January 28, 2020 5:26 PM
To: LABtestimony
Subject: HB2541

Aloha,

“\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

Mahalo for your time

Keomailani Von Gogh

Sent from my iPhone

eli2 - Kevin

From: John Fitzpatrick <fitzformau@gmail.com>
Sent: Tuesday, January 28, 2020 6:29 PM
To: LABtestimony
Subject: \$13 is not enough! Fight for \$15 and \$17 by the year 2024! Mahalo!

Aloha Honorable Representatives,

My name is John Fitzpatrick and I am in support of **HB2541** if it is amended to raising the minimum wage to **\$17 an hour by the year 2024**. A good first step would be to publically allow members to vote on a \$15 an hour minimum wage that would support local families and help them pay their rent, buy food for their kids, buy clothes, and hopefully be able to pay the bills.

I am a teacher at Maui Waena Intermediate School and nearly half of my students live in poverty or at the brink of poverty. It is sad seeing them go home hungry or not be able to purchase school supplies. Their parents and I are working 2-5 jobs to pay the bills and this is a smart step to help Hawaii's families climb out of poverty.

Please amend this bill so you can publically vote for a \$15 minimum wage and a \$17 minimum wage by the year 2024. \$13 is not enough, \$15 and fight for \$17 by the year 2024.

Mahalo,

Fitz

#Fightfor15

John Fitzpatrick

Fitz For Maui

email: fitzformau@gmail.com

phone: 808-268-1073

85 Mokuahi St.

Makawao,

Hi, 96768



eli2 - Kevin

From: Koohan Paik-Mander <koohanpaik@gmail.com>
Sent: Tuesday, January 28, 2020 7:40 PM
To: LABtestimony
Subject: HB3541

I support the Earned Income Tax Credit in this bill BUT the minimum wage must be raised to a living wage, which would be \$17 per hour. Anything less is a joke and an insult to Hawaii's hardworking residents. We all deserve that much respect.

Koohan Paik
Honokaa, Hawaii County

eli2 - Kevin

From: Janos Samu <samu.janos.keoni@gmail.com>
Sent: Tuesday, January 28, 2020 7:45 PM
To: LABtestimony
Subject: Bill# HB2541 as it stands is not enough \$17.00 minimum needed

Aloha,

When considering the steep rent increases and the less than remote possibility for Hawaiians to own their home, plus when comparing the current minimum wage with those in states where the living expenses are as high as in Hawaii it would be most appropriate to establish a minimum wage level in Hawaii at \$17.00 effective 2021 with annual increases at the percentage level of social security retirement payments every year thereafter.

This would be the fair decision in order to discontinue the colonialization practice of the workers in Hawaii.

This is what I am requesting in this testimony of mine.

Aloha

János Keoni Samu
writer, translator, polyhistor

Resident of Kalaheo, Hawaii

eli2 - Kevin

From: Elizabeth Hansen <elizrodg@icloud.com>
Sent: Tuesday, January 28, 2020 7:55 PM
To: LABtestimony
Subject: HB 2541

Aloha Legislators

I oppose HB 2541

It is not appropriate to set up minimum wage in Hawaii to be \$13 in four years. You need to set a living wage now. Please reconsider this law.

However the refundable tax credits are useful. Why put these two issues together? Changes the issue. Please reconsider leaving in refundable tax credits and increasing the minimum wage by next year.

Mahalo

Elizabeth Hansen

Hakalau HI 96710

eli2 - Kevin

From: linda oshiro <lindaoshiro555@gmail.com>
Sent: Tuesday, January 28, 2020 8:00 PM
To: LABtestimony
Subject: HB 2541 Increasing minimum wage

It is a no brainer that minimum wage needs to be raised.

This is too little, too far in the future.

It needs to be now
Help needs to happen now
People are struggling

linda oshiro
Waimea, Kauai

eli2 - Kevin

From: Earl Kim <mothra246@yahoo.com>
Sent: Tuesday, January 28, 2020 8:01 PM
To: LABtestimony
Subject: HB 2451 is too low

Dear committee members,
DBEDT estimates that a single person living in Hawaii needs \$17/hour for basic expenses (rent, food, transportation, health care).

HB 2451 is targeting only \$13/hour by 2024—this will not help people stay above the poverty line.

To help people now, it would be better to raise the minimum wage to \$13/hour this year and target \$17/hour by 2024.

Don't buy into the usual business arguments that all these businesses will go bankrupt if the minimum wage is raised—check the history of bankruptcies following minimum wage increases. Businesses like Zippys are already advertising for workers at around \$12/hour—they recognize the reality of Hawaii's job market today.

I'm now retired so there's no direct impact on my life if the minimum wage is raised; but I see many young workers carrying college debt and wonder how they are getting by in Hawaii's economy today? I earned an MBA from the UH so I have some understanding of economics, politics and business. \$13 by 2024 is too low to make any meaningful change to worker's lives.

Other municipalities have already raised their minimum to \$15/hour but Honolulu's cost of living is so much higher. Hawaii workers deserve to stay out of poverty—and you know that these wage increases will be spent locally (an extra \$100 a month will probably be spent at grocery stores, gas stations, shopping malls boosting local retailers).

Thank you for your consideration,

Earl Kim
775 Kinalau Place #908
Honolulu, HI 96813

eli2 - Kevin

From: lionel@cruzio.com
Sent: Tuesday, January 28, 2020 8:12 PM
To: LABtestimony
Subject: HB2541

Aloha,

Thirteen dollars per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

--

Aloha,
Lee Eisenstein
Kailua, HI.

eli2 - Kevin

From: Lorraine Newman <alohalorraine@gmail.com>
Sent: Tuesday, January 28, 2020 8:31 PM
To: LABtestimony
Subject: HB2541

Aloha,

HB2541 must not be passed as written.

A \$13 per hour minimum wage is not a sufficient living wage in this state right now, and certainly won't be by 2024.

The minimum wage should be \$15/hr at a minimum, starting now.

Studies have shown that even \$15 doesn't really cover the costs of housing and such in our state. Need I mention that lack of affordable housing is at the top of everyone's list of problems that need to be solved... immediately?

Studies on the mainland where people are given free money every month have shown huge benefits in making it possible for people to step out of poverty and take steps to become financially stable and securely housed without the support in just a year's time.

Establishing a true (minimum) living wage for everyone who works in Hawaii would be a much better way to accomplish the same thing.

The cost of social services to address all of the problems that stem from homelessness and or poverty are well known and there is never enough funds to support these programs.

It will cost us one way or the other.

PLEASE NOTE: I do want to be clear that I support the EITC.

These two items should not be placed on the same bill.

Separate them and get the EITC passed at the very least.
It's always great to be able to show a bill has passed with great support.

Mahalo for listening,
Lorraine Newman
Kilauea, Kauai

eli2 - Kevin

From: Andrea Morgan <andreamoon2003@yahoo.com>
Sent: Tuesday, January 28, 2020 8:37 PM
To: LABtestimony
Subject: HB2541

Aloha,

Can we shoot for a minimum wage of \$17 per hr? Anything less does not speak progress. Although the earned income tax credit helps, we need to be realistic about what the cost of living is. Let's unite in battling the cycle of poverty.

Thank you,

Andrea Morgan

Sent from my iPhone

eli2 - Kevin

From: Diliaur Tellei <diliaur@gmail.com>
Sent: Tuesday, January 28, 2020 8:48 PM
To: LABtestimony
Subject: Testimony HB2541 - \$13 not nearly enough

Dear chairs and members of the Labor and Finance Committees:

I commend the introducers of HB2541 for their efforts to help us, the working people of the State of Hawai'i. However, **I strongly believe that a \$13 minimum wage by 2024 is not only not enough, it's lamentable.** The idea of a \$15 minimum wage — widely agreed upon as a good baseline at the legislature — is fast becoming outpaced by the rising cost of living.

I present my current situation as an example. In order to pay *only* my bills (essentials: rent, electricity, monthly bus pass, healthcare premium, credit card bill; and "luxuries": cell phone, home internet) — forget food — I would need to make \$1360 a month, and that's \$17/hour at 40 hours a week *without* taking out taxes. This is the case for a young, healthy, able-bodied person with no dependents living in urban Honolulu. I can't imagine the hardships of someone else not so blessed. I hope that this illustrates how much of a stretch only \$13 (by 2024) will be. As things stand, we are breaking ourselves to stay alive.

So please: set the target at \$17/hour. Do this and you will sense the collective sigh of relief from a majority of workers in this state.

Sincerely,

Diliaur Tellei

eli2 - Kevin

From: Erika Lechuga DiSalvo <ejldald@gmail.com>
Sent: Tuesday, January 28, 2020 9:00 PM
To: LABtestimony
Subject: HB2541 \$13 is NOT enough, Hawaii deserves a living wage

Aloha,

My name is Erika Lechuga DiSalvo and I am writing in to tell you that \$13 per hour is not nearly enough to survive in Hawaii. A more appropriate living wage is bare MINIMUM \$15 per hour and they need it NOW, not in 2024.

There are numerous articles and studies out that show residents of HI cannot survive off of \$13 per hour. Cost for home rentals, groceries, gas etc., keep increasing yet the everyday worker has not been taken care of to be able to stay in the islands and survive. It is a real problem and many have had to move to the Continent and leave their families here. If they are able to stay, they must work 2-3 jobs and work more than 40 hours a week.

Please, Hawaii workers need no less that \$15 per hour and \$17 would be even better.

Thank you for your willingness to truly support everyday Hawaii workers.

Aloha,
Erika Lechuga DiSalvo
Haiku Hi

eli2 - Kevin

From: David F Luborsky <dluborski@gmail.com>
Sent: Tuesday, January 28, 2020 9:23 PM
To: LABtestimony
Subject: Living wage

I am thrifty. Even if a working parent turns a penny several times, how can she cover rent, utilities, food, transportation on minimum wage? The point of getting paid is to cover expenses so that living and working in the world is possible. Please give workers a fighting chance and raise minimum wage to \$15/hr effective 2021 or sooner. HB2541

Mahalo,

- Dave Luborsky

eli2 - Kevin

From: bh <tbhawaiiowan@aol.com>
Sent: Tuesday, January 28, 2020 9:26 PM
To: LABtestimony
Subject: Please pass HB 2541 amended to increase minimum wage to \$17

\$13 by 2024 is not a “good first step”. It's actually a step backward.

Aloha,

While Hawaii's visitor industry continues to break its own visitor count and spending records, inequality, poverty, and homelessness are at all-time highs.

According to a UH economist, the inequality gap between the local cost of living and real "inflation-adjusted" median incomes in Hawaii has been growing not just recently, but for most of the past 30 years!

DBEDT has determined that \$17.50 per hour is a “subsistence” wage for a single person. This means that a person needs to make \$17.50 an hour to simply survive.

The recent ALICE report found nearly half of Hawaii's population struggles to just get by, yet every Hawaii legislator received a pay raise starting in January 2020.

Even in combination, the changes proposed in this bill are inadequate, in my opinion.

While the proposed changes to the EITC might benefit part-time and temporary "gig" economy workers--who are treated as independent contractors and not "employees" by their employers, and who otherwise would not benefit from an increased minimum wage--the EITC changes will not benefit single individuals, and are inadequate even for families which will qualify.

So please consider:

- a much higher minimum wage, starting at \$17 per hour, and/or**
- making the EITC changes much more generous, and/or**
- adding a much more substantial increase in the low-income renters' tax credit equivalent to such minimum wage and/or EITC increases.**

This bill currently does not change the low-income renters' tax credit.

Mahalo for your time and consideration.

Tom Brandt
225 Queen St.
Honolulu 96813

eli2 - Kevin

From: Laura Ramirez <lauraramirez87@hotmail.com>
Sent: Tuesday, January 28, 2020 9:36 PM
To: LABtestimony
Subject: \$13 is a NOT ENOUGH

Importance: High

Aloha,
Regarding HB2541

\$13/hour is a joke. It's an insult. It's not enough to buy lunch. How do you actually expect people to survive?

"\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

Mahalo,
Laura Ramirez
4510 Kawaihau Road
Kapa'a, HI 96746

eli2 - Kevin

From: Dave Kisor <panther_dave@yahoo.com>
Sent: Tuesday, January 28, 2020 9:42 PM
To: LABtestimony
Subject: HB2541 - good, bad or just plain ugly

Aloha

While the Earned Income Tax Credit is good, \$13/hour is not. In places where there is a living wage, the entire economy flourishes, because there is enough money to be used for the necessities as well as frivolous things such as your kid's college tuition. On the continent, they believe \$15 appears adequate, but here, the equivalent would be \$17. If they have the money to buy it, they will.

Mahalo,
Dave Kisor

||||||| >^.^< |||||

Cats & computers. Bring them into your home and your life is no longer your own.

Don't get upset when things don't work, but rather be amazed when they do!

If the Cat won't come to the mountain, then the mountain must perforce come to the Cat!

From: Marcia Linville <linvilleedcac253@gmail.com>
Sent: Tuesday, January 28, 2020 10:24 PM
To: LABtestimony
Subject: HB25 41

Chairman an members of the committee

I am Marcia linville, I have been a board Memberfor league of women voter, Hawaii Literacy, and the Democratic Party. I have served as Agency council HeadUnit !3 DoeHGEA as chairman of my professional organization and a number of other positions of authority. I speak from personal experience and observation on the unfortunate resets of of trying to do a competent job, while holding two other part time positions this is in strong support of HB 2541 with some suggested amendments. \$13 an hour is a great improvement over the present situation . the problem arises in that it is not Now when it is needed, but rather in 2024, when you do not know what the prices or the economy will be. We do know that more of Hawaiiis bright a hardworking graduates will have left the islands because they can no longer afford to live here. do we really want our own to leave, while more wealthy newcomers determine what Hawaii will become. I understand that \$15 is the amount most often discussed. Many legislators have seemed to support it. Is there a possibility that this figure could be used . Additional funding through tax credits an refunds are helpful but cannot replace the need for an adequate living wage

Thank you for you attention to this matter

eli2 - Kevin

From: Sylvia Dolena <sylviadolena@gmail.com>
Sent: Tuesday, January 28, 2020 10:29 PM
To: LABtestimony
Subject: HB2541 Hawaii workers deserve a living wage, at least \$15 NOW

Aloha,

I am wondering what thinking believes that people can survive on \$13/hour in 4 years? Most of our workers struggle day to day to make ends meet.

I personally have paid my workers \$15 per hour for some jobs and \$20 for other skilled work.

If businesses think they cannot afford to pay that hourly wage, then who is going to buy their products? Probably tourists who make more than that and can afford to come to Hawaii.

Regards,

Sylvia Dolena

Pele Lani Farm LLC

eli2 - Kevin

From: Clare Loprinzi <clarelopinzi@gmail.com>
Sent: Wednesday, January 29, 2020 5:12 AM
To: LABtestimony

Bill# HB2541 \$13 is not enough, \$15 or fight, Hawaii deserves a living wage etc, and doing this in 2024 is insulting to our people. How much do you all get an hour?

Me ka haahaa

Clare Loprinzi

Sent from my iPhone

eli2 - Kevin

From: dorothy.perry <dorothy.perry@hawaiiintel.net>
Sent: Wednesday, January 29, 2020 5:29 AM
To: LABtestimony
Subject: Please do better at increasing the minimum wage

Aloha

You and I both know 13 dollars an hour is not enough for someone to live on in Hawaii. Please increase this to 15 dollars now, not 4 years down the road.

Mahalo

DP

Sent from my Verizon, Samsung Galaxy smartphone

eli2 - Kevin

From: Donna Duryea <donnaduryea@elitepacific.com>
Sent: Wednesday, January 29, 2020 5:43 AM
To: LABtestimony
Subject: a living wage in Hawaii

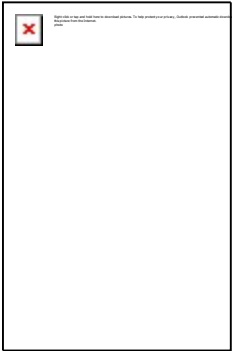
Legislators,

You must realize that you cannot survive on \$13.00 an hour in Hawaii. My daughter works at Petco and makes \$12.50. She cannot make ends meet with the cost of living in Hawaii. She lives and works in Kailua Kona, not Oahu. If you can put yourself in the shoes of the thousands who toil for barely subsistence wages, please do. How do you support a family on these wages. \$15.00 is too low. \$17.00 would be the place to start.

Please vote your conscious. \$13.00 is ridiculous in 2020. Please be realistic.

Mahalo,

Donna



Donna Duryea, RS-62459

Your Trusted Real Estate Advisor, Elite Pacific Properties
REALTOR, CRS, ABR, SFR, GRI, GREEN

808.987.4511 | donna@donnaduryea.com

www.DonnaDuryea.com



This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

eli2 - Kevin

From: Andrew Stenovich <steno22@me.com>
Sent: Wednesday, January 29, 2020 6:00 AM
To: LABtestimony
Subject: Bill# HB2541 — \$13 is not enough

My name is Andrew Stenovich, I have been a resident of Hawaii for 20 years. I must work two and sometimes three jobs to support my family. I do not get to spend enough time with my young children because I am working so much. And increased to \$13 an hour would be better, but it's not nearly enough to support my family. \$15-\$17 an hour might make it so I only have to work one job to support my family. Thank you for your consideration and your time.

Sent from my iPhone

eli2 - Kevin

From: Teresa Landreau <terlandreau@gmail.com>
Sent: Wednesday, January 29, 2020 6:00 AM
To: LABtestimony
Subject: Minimm wage bill needs to do more

The level of increased minimum wage in this bill is insufficient and delay in implementation until 2024 unacceptable.

Please pass the Earned Income Credit and increase the minimum wage level to a living wage for a Hawaiian family effective in 2020.

eli2 - Kevin

From: STEPHENIE BLAKEMORE <stephenieblakemore@sbcglobal.net>
Sent: Wednesday, January 29, 2020 6:28 AM
To: LABtestimony
Subject: Make it \$15

Aloha

Hawaii needs a living minimum wage...\$13.00/hr is not the correct amount.

The legislature would be remiss if they passed a bill that made the minimum wage anything less than \$17.00/hr as a way to address what is becoming an unsafe situation in Hawaii...the cost of living. We are losing our future to homelessness and better paying mainland jobs.

[Sent from AT&T Yahoo Mail on Android](#)

From: Darren Y. <mauiban@gmail.com>
Sent: Wednesday, January 29, 2020 6:50 AM
To: LABtestimony
Subject: Minimum Wage Hike

The minimum wage hike to \$13 an hour would be a grave mistake to Hawaii.

You don't need to look any further than what Seattle has done.

Their minimum wage at \$15 an hour has caused them to cut hours for full-time employees and also invest in automated technologies to eliminate the labor cost. Full-time employees that have their hours cut will also lose their health coverage through their employer.

This results in lowered skilled employees losing their place in the workforce. The elderly who need to work will no longer be able to be hired because employers will be looking for a higher skilled workers to get their money's worth.

This will also cause products and services cost to be increased to recover the forced hike in labor.

The term "minimum wage" was never meant to be a "living wage". Anyone who works a minimum wage job all their life has not done or made the right choices to excel in life.

The free market decides what is an acceptable wage for any product or service. The government has no role in putting a gun to the head of business owners and tell them how to run their business.

I will leave you with this: If it is government's role to increase the minimum wage that I ask you; why only \$13? Why not \$50 an hour?

- Darren

eli2 - Kevin

From: Kelly Christensen <chrstnsn5@gmail.com>
Sent: Wednesday, January 29, 2020 7:10 AM
To: LABtestimony
Subject: \$13 by 2024

Please understand the needs of the lower tier working class. They need more money to support their lives. The majority of the people cant afford basic living and don't have families to share meals, cars to get to and from work, and housing.

\$15 an hour is a better 'first immediate step.'

\$17 an hour would be optimal, it would provide much needed pride to our people. Employee attendance rates would rise, we could see progress.

Sincerely,
Kelly F. Christensen
Captain Cook, Hawaii

eli2 - Kevin

From: Sandra Dahl <stawfish@gmail.com>
Sent: Wednesday, January 29, 2020 7:21 AM
To: LABtestimony
Subject: I oppose Bill # HB2541 (\$13 is not enough, \$15 or fight, Hawaii)

I oppose **Bill # HB2541**. (\$13 is not enough, \$15 or fight, Hawaii deserves a living wage etc) If this was going into effect by 2022, it could seem reasonable, but by 2024 we will still be so far below a living wage in Hawaii, rents are soring, homeless people are increasing because they cannot afford to rent. Owning is not even an option.

I have been living in Hawaii since 1998 and still rent. And I was lucky to have a job at \$20.00 an hour for 14 years, and never felt like I could afford to buy a place.

Thank You
Sandra Dahl
808 429-8097
Honolulu, Hawaii

eli2 - Kevin

From: Rhaya <happiflying@gmail.com>
Sent: Wednesday, January 29, 2020 7:30 AM
To: LABtestimony
Subject: HB2541 Testimony

Testimony for HB2541

To whom it may concern:

I have just heard on radio that approx. 60% of Hawaii's residents are in some sort of financial hardship. That is no surprise with the low wages people earn compared to the cost of living here. What kind of society keeps more than half of their residents in constant financial hardship?

People often say we need to work like three jobs to live here in Hawaii, and that's not even a joke.

\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour to start ASAP, not four years from now.

An even better first step would be passing a measure that reaches the \$17 target ASAP and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

Alisen Celestyne
Kapaa

eli2 - Kevin

From: Linda Pizzitola <linda@kauaidesign.com>
Sent: Wednesday, January 29, 2020 7:32 AM
To: LABtestimony
Subject: living wage HB 2541

Dear Esteemed Hawaii Legislators,

While I support the Earned Income Tax Credit (EITC) in HB2541, the proposed minimum wage increase to only \$13 per hour (and only four years from now!) is inadequate. We all know how expensive it is to live in the islands. A minimum wage of AT LEAST \$15 is necessary to make ends meet for a full time worker. Please re-think and re-write this legislation.

Mahalo,

Linda

Linda Pizzitola
KauaiDesign.com
Mobile 808 635-3703
Home office/fax 808 822-0055



facebook.com/kauaidesign
instagram.com/kauai_design
linkedin.com/in/kauaidesign

eli2 - Kevin

From: Susan Stayton <susan.stayton@gmail.com>
Sent: Wednesday, January 29, 2020 7:35 AM
To: LABtestimony
Subject: Requesting Modification to HB2541

Aloha Representatives,

As a 35 year Hawaii resident, and previous Tech industry entrepreneur, I wish to comment on the current version of HB2541.

Hawaii is a wonderful place to live and work, but only if you earn a LIVING wage. Without it, Hawaii can become a nightmare of overwork and stress in Paradise. Please change the initial minimum wage increase to \$15 per hour effective immediately and include phased in increases to \$17. Keep the EITC, by all means.

This will not bankrupt local businesses and it will certainly not hurt the large corporations that take their profits from business in Hawaii and distribute them on the mainland. Many studies have shown that businesses are actually more successful if their employees are well paid and happy.

Hawaii has the opportunity to lead the nation in making respect for workers efforts a priority. I encourage you to do the right thing for Hawaii's workers who make the businesses in this state function.

Mahalo,
Susan

Susan Stayton
PO Box 1113
Lawai, HI 96765
808-651-9070

eli2 - Kevin

From: Sara McCay <mccaysara@gmail.com>
Sent: Wednesday, January 29, 2020 7:37 AM
To: LABtestimony
Subject: HB2541

To Legislators,

Minimum wage SHOULD be \$20 here. At the very least, up it to \$15. Please.

Sara McCay

Sent from my iPhone

eli2 - Kevin

From: Steven Ruddell <stevenkauai@me.com>
Sent: Wednesday, January 29, 2020 7:40 AM
To: LABtestimony
Subject: HB2541: \$13 is not enough, Hawaii deserves a living wage, at least \$15/hour

Please amend HB2541 to reflect \$15 an hour as a livable wage. \$17 is even better.

2024 is a long time to wait. Can this happen sooner.

Let's make Hawai'i an example for the nation and show that a livable wage is good for the economy.

Let's respect our workers. Please vote to amend HB2541.

Sincerely,
Steven Ruddell
Kilauea, Kauai

eli2 - Kevin

From: Jude Lyon <lyonjude@gmail.com>
Sent: Wednesday, January 29, 2020 7:50 AM
To: LABtestimony
Subject: \$13 is NOT enough!

Hawaii should be ashamed of its low wage policy which treats human beings as dispensable laborers. No one can live in Hawaii on \$13 an hour, especially given the fact that many, many employers hire only part-time so they don't have to pay for health insurance or paid leave of any kind.

The minimum wage should be at least \$17 an hour. The state is already at the top of homelessness, per capita. With a living wage this problem can be better addressed.

Please pay attention to the truth and set a \$17 per hour minimum wage for all the citizens of Hawaii.

Mahalo,
Judith E. Lyon
Pahoa, Hawaii

From: Jemma K Hartnell <jemmakhartnell@gmail.com>
Sent: Wednesday, January 29, 2020 7:55 AM
To: LABtestimony
Subject: HB2541

Aloha Dear Representatives,

My position and message on HB2541 is as follows:

“\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.”

Mahalo

Jemma Hartnell

eli2 - Kevin

From: Megan Deets <megan@dhlawkauai.com>
Sent: Wednesday, January 29, 2020 8:32 AM
To: LABtestimony
Subject: Bill # HB2541 - Hawaii's people deserve a living wage

Aloha. I understand that HB2541 proposes to increase the minimum wage to \$13. I'm afraid that's not nearly enough. The native and local people suffer the most from the combination of Hawaii's low minimum wage and high cost of living. I believe we have to do a lot better, and raise the minimum wage to at least \$15, if not more.

Sincerely,
Megan Deets

eli2 - Kevin

From: Sharon <sharonmokihana@gmail.com>
Sent: Wednesday, January 29, 2020 8:42 AM
To: LABtestimony
Subject: HB 2541

In my humble opinion I feel HB2541 is too little, too late. Most of Hawaii's hard-working class has expenses— rent, auto, educational debt, medical insurance, family expenses, other debts. The hard-working class needs to earn fair wages for a fair day's work. I propose aiming for \$17 per hour with a solid increment of \$15 per hour soon. The EITC is a positive component that hopefully will remain in place.

Mahalo,
Sharon Goodwin
6294 Q Olohena Rd.
Kapa'a HI 96746

Sent from my iPhone

eli2 - Kevin

From: Fithian Jones <fith4th@gmail.com>
Sent: Wednesday, January 29, 2020 8:50 AM
To: LABtestimony
Subject: Minimum wage increase

The bill as it stands is a bandaid, and an old wornout one at that.

Dont scam the public with this ...everyone knows it wont fix anything, and it looks bad for your record. Move that bar up to \$15 an hour and bring our people the beginnings of a living wage.

Mahao
Fithian Jones
Kauai homeowner

eli2 - Kevin

From: Jerry Riverstone <riverstonej@gmail.com>
Sent: Wednesday, January 29, 2020 8:58 AM
To: LABtestimony
Subject: HB2541 \$13/hour is not enough

Aloha Representatives

Please send this bill back for revisions.

While the Earned Income Credit is a good component, a \$13/hr minimum wage is not enough for Hawaii's workers, and should be raised to \$17/hour.

Thank you

Jerry Riverstone,

Honolulu

eli2 - Kevin

From: Nya Day <nyaday52@gmail.com>
Sent: Wednesday, January 29, 2020 9:05 AM
To: LABtestimony
Subject: Testimony Re. HB2541 Minimum Wage Measure

To the Labor and Finance Committees:

I'm concerned that workers in Hawaii most often must work two or three jobs just to get by. Hawaii has the highest cost of living in the U.S.

and almost no real affordable housing. One commentary I read said that a single person working one job in Hawaii would need to work full time making \$17.00 an hour just to scrape by. How do our families make it?

Considering the above information, It is clearly not right that measure HB2541 is only considering a \$13.00 an hour minimum wage. Even \$15.00 an hour isn't really enough, but at least it would show people that the law makers are serious about starting to address the low wage problem.

Please consider amending this bill to raise the minimum wage to at least \$15.00 an hour.

Thank you for considering my testimony.

Respectfully,

Nya Day

Wailua Homesteads

eli2 - Kevin

From: Cheri Matsumura <cherimatsumura@gmail.com>
Sent: Wednesday, January 29, 2020 9:25 AM
To: LABtestimony
Subject: Bill# HB2541 - \$13/hr by 2024 as good as an empty promise

With 50% of Hawaii residents living on the edge of poverty, it's no wonder disaffected youths are turning to violent organized crime and homelessness remains a problem with no end in sight.

The time for change is now—*not* four years from now. Give the people of Hawaii hope for a better life—the life we deserve—today.

Increase the minimum wage to \$13/hr by this year or next, and pass a measure that reaches \$17/hr and includes annual cost of living increases.

\$13/hr by 2024 is as good as an empty promise.

Regards,

Cheri Matsumura

eli2 - Kevin

From: Mapuana Kupuna <2hawnsoul4kupuna2mapu@gmail.com>
Sent: Wednesday, January 29, 2020 9:26 AM
To: LABtestimony
Subject: \$13.00 is not enough, \$15.00 of fight

You gotta raise the amount to a minimum of \$15.00

Mahalo nui loa,
April Peterson

eli2 - Kevin

From: iris mcgowan <irisanne1@aol.com>
Sent: Wednesday, January 29, 2020 9:37 AM
To: LABtestimony
Subject: Minimum wage ... do the right thing ...

Aloha ... Just reminding all of you to have a heart ... the minimum wage needs to be in alignment with what it costs to live and to also be there on the same level of wage with the rest of the United States in regard to the minimum wage.

We want people to work and to be rightfully paid for their services ... offering lower wages is **dehumanizing**. People need to be paid what they are worth ... and to help everyone feel a part of a progressing culture .. Be PONO... BE NOW ...

Thank you, Doris McGowan and Dennis Ikel ... of Hanapepe

eli2 - Kevin

From: Raj Kreisler <rajkreisler13@gmail.com>
Sent: Wednesday, January 29, 2020 9:37 AM
To: LABtestimony
Subject: Minimum wage

Aloha. A \$13 minimum wage is totally unacceptable! As an employee receiving \$15/hr. , if not for my working wife, I would not afford living herein the state of Hawaii. I urge you to support a higher minimum wage! Mahalo, Scott Kreisler, Koloa, Kauai

eli2 - Kevin

From: Margery Freeman <freemanmargery@gmail.com>
Sent: Wednesday, January 29, 2020 9:47 AM
To: LABtestimony
Subject: \$13 per hour - for \$15

To whom it may concern
HB2541 Hearing this week

This is a very important bill and should be amended to increase the minimum wage to \$15 per hour.
This is a perfect time to do this since our unemployment rate is very low and a higher rate will have less impact.

Please do your duty and increase the minimum wage to \$15 and hour to take effect as soon as possible.

Aloha,

Margery Freeman
4-820 Kuhio Hwy
Kapaa, HI 96746

eli2 - Kevin

From: Colleen L <colleencleaning@gmail.com>
Sent: Wednesday, January 29, 2020 9:47 AM
To: LABtestimony
Subject: HB2541

Please reconsider this bill for raising minimum wage to \$13 per hour in 2024. This is too little too late. Here in Hawaii many, many families struggle with basic living costs at the current minimum wage. My children cannot afford to live here. We need relief sooner than later. Tax credits and housing initiatives are not enough to offset this. Please allow legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is \$15 per hour. Or better yet pass a measure that reaches the \$17 target and includes annual cost of living increases.

Aloha,

--

Colleen Lisowski

Colleen's Cleaning
"Where Quality Counts"
www.colleenscleaning.com
808-283-6429

From: Jill Dana Raznov <jdraznov@gmail.com>
Sent: Wednesday, January 29, 2020 10:10 AM
To: LABtestimony
Subject: HB2541 \$13 is not a living wage in Hawaii

Aloha representatives:

raising the minimum wage to \$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work. We all know how expensive living in Hawaii is, how hard it is to find truly affordable housing and how our homeless population is on the rise. So many people work more than one job to survive. so many families struggle to juggle life, work and family. Your job is to make life better for Hawaii's families, not keep the struggle alive.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage.

As a public servant, your job, your kokua, is to serve the public. search your heart and think back to why you ran for public office in the first place. Typically its to do a better job than the person you replaced. But then, the pressures of the job (the necessary compromises, the powerful lobbies, the hard choices) often blind the public servant to doing what he or she knows what is right in heart and gut. Do what is right for Hawaii's families. Could you seriously live on \$13.00 per hour? If not, why would you ever ask any of your constituents to do so? As so many studies show, the great income gap we are seeing across the nation is a recipe for disaster as it was in the late 1920s. We are all in this together. We all rise and fall together. Let us always choose to rise together.

Mahalo nui loa for your time and attention to this important matter.

*Mahalo,
Jill*

Jill D. Raznov
Of Counsel
Law Offices of Yeh and Moore
10 Kamehameha Avenue

Hilo, HI 96720
Phone: (808) 961-0055
Mobile: (808) 778-8992
jdraznov@gmail.com
yehandmoore.com

The information contained in this email message is intended only for the personal and confidential use of the designated recipients named herein. This message may be an attorney-client communication, and as such, is privileged and confidential. If the reader of this message is not the intended recipient or an agent responsible for delivering to the intended recipient, you are hereby notified that you have received this document in error, and that any review, dissemination, distribution or copy of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by email or telephone and delete the original message. Thank you.

Date: January 30, 2020

To: Representatives Luke and Johanson, Chairs
Representatives Cullen and Eli, Vice Chairs
Members of the Finance Committee and the Labor & Public Employment Committee

From: Christine Trecker

Subject: HB2541: RELATING TO HELPING WORKING FAMILIES
9:00am, Conference Room 309

Good Morning,

I support the Earned Income Tax Credit (EITC) provision in HB2541.

However, **I do not support the proposed minimum wage increases in this bill.** It falls short of the financial boost Hawaii's low wage workers deserve. I'm testifying today on their behalf because unfortunately most of them cannot. They are too preoccupied working more than one job and worrying about supporting themselves and their families.

I strongly urge you to amend this bill to ensure that Hawaii's workers benefit from **at least** a minimum wage rate increase to \$15/hour by 2024 and thereafter adjusted to reflect cost of living increases.

Thank you for the opportunity to testify on this critically important bill.

=

eli2 - Kevin

From: Dave Cunningham <cunnida@roadrunner.com>
Sent: Wednesday, January 29, 2020 10:27 AM
To: LABtestimony
Subject: HB2541

Thirteen dollars is not enough in 2020. The information I've read puts the minimum existence wage a little over \$17.00 in 2019, not 2024 or beyond. I know too many families just getting by with everyone working two jobs. Most of the jobs here on Kauai are entry level jobs at or near minimum wage. There is nowhere to progress; no industry, no manufacturing, only service jobs which remain at minimum wage.

I was blessed by making a living wage working forty hours a week but it wasn't on Kauai. No one who works full time should be homeless or hungry and entirely too many are. Please promote a more reasonable minimum wage.

--

:Dave Cunningham
Hanapepe, HI
310-505-8155

eli2 - Kevin

From: Raymond Catania <may11nineteen71@gmail.com>
Sent: Wednesday, January 29, 2020 10:29 AM
To: LABtestimony
Subject: No support for HB2541

Aloha Legislators,

Combining a good thing, the proposal on EITC, with a very bad minimum wage proposal of \$13 an hour by 2024 makes HB2541 a sham. And in a way, is trying to divide the forces that have advocated for Hawaii's poorest workers. Most of Hawaii's workers support an increase to \$15 dollars an hour that can be adjusted to reflect the rising cost of living. I support Raise Up Hawaii's proposal to raise up Hawaii's living wage to \$17 an hour along with a COLA that keeps up with inflation. We need more hearings in both houses for people to testify, combining both houses together is not very conducive for a full and democratic discussion. I won't support HB2541. Hawaii's poorest workers have not been included in your discussions.

Aloha, Ray Catania may11nineteen71@gmail.com 4215 Kole Place, Kauai Hawaii 96766 (808) 631-6748

eli2 - Kevin

From: Susan Kelly <suekelly808@gmail.com>
Sent: Wednesday, January 29, 2020 10:49 AM
To: LABtestimony
Subject: HB 2541

\$13 an hour isn't nearly enough to live on in Hawaii! PLEASE - at least \$15!!!
Mahalo - Susan Kelly

eli2 - Kevin

From: Mahina Bachiller <mahina926@gmail.com>
Sent: Wednesday, January 29, 2020 11:00 AM
To: LABtestimony
Subject: Bill# HB2541: \$13 is not a living wage

Aloha,

My name is Mahina and I am from Wahiawa, HI.

I support the Earned Income Tax Credit but I will and do not support the minimum wage increase to \$13. Hawaii residents need and deserve more for the work we do. Factor in commuting to and from work and rising property values and the wage increase shrinks to an empty promise that just continues inflation. Nothing will have been changed.

I am writing to support a wage increase to \$15 per hour in place of the \$13 hourly wage being discussed. Ideally, \$17 per hour would cover the annual increases in the cost of living in Hawaii, but I believe a compromise can be made. The best step right now is to plan for a living wage. The way to do that is to raise the hourly wage to \$15 per hour.

Mahalo,
Mahina Bachiller

eli2 - Kevin

From: Nezia Azmi <neziaazmi@gmail.com>
Sent: Wednesday, January 29, 2020 11:11 AM
To: LABtestimony
Subject: HB2541 - mahalo! :)

Aloha,

Mahalo to the legislature for powering through yet another whirlwind of bills for the betterment of our communities.

With regards to HB2541, this email is my testimony.

Before anything, and if you don't read another word of this email, just watch this video https://youtu.be/pmqP_e-iCBg. It's really well produced by our keiki! Mahalo in advance. :)

I'm just another taxpaying resident of these islands, I work in education, and I come across so many folks working three jobs trying to make ends meet.

\$13/hour is not enough. At least \$15/hour please, we can do the right thing. Of course even better would be \$17/hour.

Big mahalos for your time and attention!

Nezia

eli2 - Kevin

From: Zach Mermel <zach.mermel@gmail.com>
Sent: Wednesday, January 29, 2020 11:31 AM
To: LABtestimony
Subject: Aloha; Hawaii needs (and deserves) a living wage (HB2541)

Honorable elected officials,

Please do everything within your power to create a *true* living wage for Hawaii, that is at least \$17/hr.

As someone who was born and raised in Hawaii (and who earned my undergraduate and grad degrees on the mainland), I personally recognize the power that a living wage has on a family who is striving to raise themselves above a paycheck to paycheck existence, in pursuit of financial stability.

A base wage of at least \$17/hr will improve the economy of our Islands for kama'aina and visitors, enabling the hard-earned money from working families to be re-infused back into many of our businesses here at home.

Mahalo in advance for doing what is right for the long-term future of our islands.

Respectfully,

~ Zach Mermel

eli2 - Kevin

From: Chris McCullough <Chris@dfihi.com>
Sent: Wednesday, January 29, 2020 11:35 AM
To: LABtestimony
Cc: information-warriors-hi@googlegroups.com; Koohan Paik-Mander; Larry Borgatti; Brant Brown; Lanky Morrill; Chelsea Arnott; Mark Suiso; Richard Quinn; Orville Baldos; Ed Reyes; christym@rocketmail.com; Strom Gaditano; Russell Galanti; christian@pacainamgmt.com; Madeleine; heidi bornhorst; randy.liu808@gmail.com; Matt L <Matt@performancels.com> Garrett Webb <palmsinkona@yahoo.com>; Steve Nimz; jaydeputy@gmail.com; boydready@hawaii.rr.com; Chris Dacus
Subject: A 'living wage' for Hawaii residents

Aloha,

My name is Christopher McCullough, a resident of the state for 37 years currently residing in Holualoa, Hawaii island. I am the current President of the Landscape Industry Council of Hawaii, the state organization for the Green Industry.

In my career as a landscaper I have often seen hard working landscape workers struggle to make ends meet, often having to work two jobs to support their families. These workers often have to choose between work to support their families and spending time with them, a difficult choice but one that often must be made to provide financial support. This is something we as community leaders should remedy, as parents should have quality time with their children and work / life balance is critical for healthy family and community relationships.

Please consider a \$17 per hour minimum wage for Hawaii. This is a 'living wage' considering the cost of living here in our state.

\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

A good first step is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage.

Mahalo for your consideration,

Christopher McCullough

**Landscape Industry Council of Hawaii President
Hawaii Island Landscape Association Board Member
Horticulture Manager
DFI Resources LLC
808-938-3695**

eli2 - Kevin

From: Laurel Quarton <laurelq@hawaiiantel.net>
Sent: Wednesday, January 29, 2020 12:08 PM
To: LABtestimony
Subject: Oppose Bill HB2541 and Support EITC

This is to testify in opposition to the portion of Bill HB2541 that proposes a minimum wage of \$13.00 per hour beginning in 2024. And to testify in support of the EITC measure.

The cost of living in Hawaii is among the highest in the US at the same time that our minimum wage is the lowest. Given our cost of living, our minimum wage is obsolete even now and will be more so by 2024. Why set ourselves up for another unnecessary and lengthy upgrade to a continuing inadequate minimum wage as soon as the present inadequate Bill goes into effect. This is irrational.

Please allow legislators to publicly vote on their publicly supported majority opinion that \$15. per hour should be the new minimum wage. Or more realistically, \$17. per hour including annual cost of living increases.

Linking the Labor Committee's \$13.00 minimum wage proposal with the Finance Committee's measure supporting Earned Income Tax Credit is also not realistic. They require separate consideration. Please separate the minimum wage and EITC measures so that voters don't have to undermine their good choice with a bad.

Please deny Bill HB2541 and support the EITC in the coming vote.

We are establishing Hawaii as a state that doesn't take care of it's own and this, in turn, will ultimately degrade our economy, our quality of life, the social fabric that sustains us all, and our attractiveness to visitors.

Thank you for your consideration.

Laurie Quarton

Kauai

eli2 - Kevin

From: Brodie Lockard <brodielockard@gmail.com>
Sent: Wednesday, January 29, 2020 12:12 PM
To: LABtestimony
Subject: HB2541--support but far too weak

Someone asked me recently whether the effort to raise the minimum wage would affect me adversely. I'm a quadriplegic needing 24-hour assistance.

Yes. I pay entirely out-of-pocket, and a higher minimum wage would make it harder for me to compete for good attendants. I pay \$15 an hour and I think that brings more and better applicants than \$10.10 would. I expect what I pay will have to keep rising. Nonetheless, I'd like people to be less strapped all the time, as mine are.

Three of my staff made a trip to my house Tuesday *just to get their checks*. I don't think they have any savings at all, which would scare me senseless. I'd be a nervous wreck every day. And these people are not right out of high school. They're 30, 40, 50 years old, most have two or three jobs, and they need better pay.

I support at least \$15 per hour, and annual cost of living increases, on a schedule that gets us there by 2022.

Brodie Lockard
Kailua

eli2 - Kevin

From: bethleeds22@yahoo.com
Sent: Wednesday, January 29, 2020 12:52 PM
To: LABtestimony
Subject: Fwd: Breaking News! Agreement reached for \$20/hr!

----- Forwarded message -----

From: bethleeds22@yahoo.com
Date: Jan 28, 2020 1:01 PM
Subject: Breaking News! Agreement reached for \$20/hr!
To: LABtestimony@capitol.hawaii.gov
Cc:

Aloha Decision Makers!

It's 2020! And another year has passed and a emergency demand for \$20/hr. has been met.

Please be advised that the 1st act of the New Year is with aloha!

Mahalo for surprising everyone by voting for a really decent hourly wage. Everyone will admire you! And that increase will really help your constituents.

So, thank you,

Love,

Beth Leeds, Citizen In Action

The 2020 Club

bethleeds22@yahoo.com

949-295-6298

eli2 - Kevin

From: Sherri Thal <sherrithal@gmail.com>
Sent: Wednesday, January 29, 2020 1:16 PM
To: LABtestimony
Subject: HB 2541 testimony

Aloha Honorable Legislatures,

HB 2541 does not go far enough to solve our income inequality crisis. \$13.00/hour is just too little of an increase for our extreme cost of living in Hawaii, and 2024 is way too late to implement any changes!

The Earned Income Tax Credit is a positive part of this bill and would be much better matched with a \$15.00-17.00 Minimum wage.

Please represent the working people of Hawaii and modify HB 2541 to a \$15-17.00/hour minimum wage and EITC with an implementation date of 2020 or as soon as possible!

Aloha and Mahalo,

Sherri Thal, Kea'au, HI

eli2 - Kevin

From: Mary Lacques <hokuokekai50@msn.com>
Sent: Wednesday, January 29, 2020 1:17 PM
To: LABtestimony
Subject: HB2541 Hawai'i deserves a living wage, \$13 is not enough

Aloha Chair Johanson, Vice-Chair Eli, and Members of the House Committee on Labor & Public Employment.

My name is Mary Lacques, and I am 64 years old and a resident of Haleiwa.

The multifaceted aspect of this "good bill/bad bill" makes it extremely difficult to fully support HB2451.

Though I applaud and support the section that makes the State Earned Income Tax Credit refundable and permanent, I cannot support the bill's ridiculous minimum wage increase proposal which obviously does not take into account annual cost of living increases that not only affect young working families but older residents like myself that will not be retiring any time soon.

It is vitally important that your Committee revisits passing legislation that reaches the \$17 minimum wage target. Myself and thousand's around the state would support this common sense measure.

Sincerely,

Mary Lacques

P.O. Box 14

Haleiwa, HI 96712

eli2 - Kevin

From: Judy Levy <judylotusheart@gmail.com>
Sent: Tuesday, January 28, 2020 4:33 PM
To: LABtestimony
Subject: HB 2541 Raising the minimum wage

To our dear legislators,

I'm a 72 year old woman who has lived over a decade on Maui. I continue to work and I now have three jobs so that I can stay afloat and live in this beautiful place that I love.

It's really essential that you consider starting pay raise IMMEDIATELY.....NOT in 4 years!! Minimum wage at this time must be at least \$15/ hr, with \$17 very closely behind so that the state can continue to have working people here. Sure feels like we're catering to the 1% more than ever and if you don't have workers to support the infrastructure things will fall apart.

Cost of living increases need to be built in as well. I think you legislators have cost of living increases built in so why do you assume the General Public doesn't need it as well?

Whatever happened to the concept of adding 1% to our visitors sales tax? That would pay for a state-supported cost of living raise for Working Families.

Please remember you are representing us and hope that you have the sense and compassion to do the right thing for us all.

With aloha,

Judy. Levy

HB-2541

Submitted on: 1/29/2020 1:50:09 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Anita Trubitt	Individual	Support	No

Comments:

HB2541 Relating to working Families

January 30, 2020 9:00 a.m. Room 309

Aloha Chairs Johansen and Luke, Vice chairs Eli and Cullen
and committee members

I encourage your strong support of HB2541, which would make the Earned Income Tax Credit permanent, amend the refundable food/excise tax credit and raise the minimum wage, incrementally, over the next four years.

While raising the minimum wage ultimately to \$13 per hour is woefully inadequate, when studies show that a single person with no children needs over \$17 per hour to live in Hawaii, it is a start. Three of five minimum wage earners are women, most of whom support children, so the wage issue impacts women unfairly.

Amendments to the tax credits are imperative for low wage earners to increase their chances of achieving a standard of living to be able to live in Hawaii, which has the highest cost of living in the nation.

Barbara J. Service MSW (retired Child Welfare Services)

Senior Advocate

HB-2541

Submitted on: 1/29/2020 9:10:40 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nya Day	Individual	Comments	No

Comments:

To the Labor and Finance Committees:

I'm concerned that workers in Hawaii most often must work two or three jobs just to get by. Hawaii has the highest cost of living in the U.S. and almost no real affordable housing. One commentary I read said that a single person working one job in Hawaii would need to work full time making \$17.00 an hour just to scrape by. How do our families make it?

Considering the above information, It is clearly not right that measure HB2541 is only considering a \$13.00 an hour minimum wage. Even \$15.00 an hour isn't really enough, but at least it would show people that the law makers are serious about starting to address the low wage problem.

Please consider amending this bill to raise the minimum wage to at least \$15.00 an hour.

Thank you for considering my testimony.

Respectfully,

Nya Day

Wailua Homesteads

HB-2541

Submitted on: 1/29/2020 9:17:46 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Mcknight	Individual	Comments	No

Comments:

I support the amendment to the refundable food excise tax credit to base the amount of the credit on the tax payer's Hawai'i earned income and not the federal AGI.

I also support an increase of the minimum wage to a living wage. However the math shows us that \$13/hour while a laudable effort, will not get us there. Please consider that the A.L.I.C.E Report (referenced in the press conference to discuss this bill), found in 2015 (5 years ago) that two earners needed a combined income of \$38.64/hour just to survive as a family.

The tiering up to \$13.00 in 4 years offered in this bill falls way short of what is needed. it actually will have the opposite effect of what is desired locking folks into abject poverty. I would like to see it amended as follows: \$11.50 in 2021, \$13.00 in 2022, \$14.50 in 2023 and \$16.00 in 2024. If our local business can not support something at least closeto a living wage then they need to rethink their business plan. Thank you for you consideration.

HB-2541

Submitted on: 1/29/2020 9:29:31 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Shimata	Individual	Support	No

Comments:

This bill is but a small step in the right direction. By 2024 our workers will need much more than \$13/hr. A better first step would be to allow legislators to vote to increase the minimum wage to \$15/hr.

Let's get moving!

HB-2541

Submitted on: 1/29/2020 9:39:19 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Victoria Hyde	Individual	Support	No

Comments:

Please raise the minium wage to \$17 hr by 2025. This will help Hawaii's people in a multitude of ways. People living at this wage level pour all that money right back into our local economy. Chain retailers just ship the extra profit back to shareholders.

Too many people cannot afford to live in their own place. Look around. Too many are homeless or poured into one family home- many with multiple cars and trucks parked on the lawns and piles of shoes on the front porch. A true living wage is good for our mental health!

Minimum wages have not kept up with inflation for too long now. Expenses for everyday things like rent, T.V. service, phone, healthcare, education are putting a financial squeeze on people. This wasn't the case just one generation ago.

This is your chance to help your people. Please do!

Respectfully,

Victoria Hyde

Maui

HB-2541

Submitted on: 1/29/2020 9:43:46 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Graham	Individual	Support	No

Comments:

Dear Labor and Finance Committees:

Thank you for the opportunity to submit testimony on this bill to increase the minimum wage. I support this bill with amendments to aim for \$17 by 2025. By nearly all definitions of a living wage, \$17 is a minimum for 2020. You will solve so many problems in Hawaii by raising the minimum to \$17 by 2025, far outweighing any potential drawbacks.

Sincerely, Janet Graham

HB-2541

Submitted on: 1/29/2020 9:44:44 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Comments	No

Comments:

**#\$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! \$17 Now!
\$17 Now!**

**#â€‹â€‹â€‹â€‹â€‹â€‹â€‹\$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~
\$17 Now! \$17 Now! \$17 Now!**

**#â€‹â€‹â€‹â€‹â€‹â€‹â€‹\$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~
\$17 Now! \$17 Now! \$17 Now!**

**#â€‹â€‹â€‹â€‹â€‹â€‹â€‹\$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~ \$17 Now! ~
\$17 Now! \$17 Now! \$17 Now!**

You just wasted a ton of money on the DBEDT study if you ignore what they said. :(
â€‹â€‹â€‹â€‹â€‹â€‹â€‹Another day older & deeper in debt...

HB-2541

Submitted on: 1/29/2020 10:10:41 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Phaethon Keeney	Individual	Comments	No

Comments:

Aloha HB2541 does not go far enough fast enough to help Hawaii's working families, it just seems wrong and will stall other efforts for real reform. Please bring the public a real, effective bill that we can all support, mahalo!

As Gary Hooser said, "\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii's working families need and the only step that will ensure they eventually achieve a true living wage."

HB-2541

Submitted on: 1/29/2020 10:28:30 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Tillotson	Individual	Support	No

Comments:

Aloha, My name is Richard Tillotson and I am writing in support of this bill. It will not only improve the lives of those making minimum wage, it will help to address our ever-growing homeless problem. I also support an amendment to increase the minimum wage to \$17 an hour. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour.

HB-2541

Submitted on: 1/29/2020 10:40:07 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Carolyn Kuahulu	Individual	Oppose	No

Comments:

Your bill to raise the minimum wage to \$13 is ridiculous! You know as well as I do that anyone not making at least \$17 an hour can not survive in Hawaii. It takes people 2 or 3 jobs at least. Yet, you were able to give yourselves a healthy raise which amounts to much more than \$17 an hour. Why can't you see that everyone deserves a fair shake in Hawaii?

Aloha,

Mary Caroyln Kuahulu

HB-2541

Submitted on: 1/29/2020 11:13:38 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Flores	Individual	Comments	No

Comments:

I think it's a shame that during the Fall 2018 election cycle everyone was campaigning on \$15/hr and now we come to where the rubber meets the road and we see \$13/hr by 2024. I want to be as kind and respectful as possible, but this is not enough! Do any of you honestly expect people to lift themselves out of homelessness with \$13/hr? Do expect people to sustain their lives on \$13/hr?

8 states, all with lower costs of living, have passed a \$15 minimum wage into law. We need your help. Please think of the people of Hawai'i who voted you into office. You should be working for them and we're telling you it's not enough!

-Daniel Flores

HB-2541

Submitted on: 1/29/2020 11:36:26 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Julie Becker	Individual	Comments	No

Comments:

Wednesday, January 29, 2020

12:51 PM

Regarding HB 2541

Dear Legislators,

I'm writing today to ask that you consider my testimony as to the need to increase the minimum wage for Hawaii to 15.00 an hour that provides a living wage to hardworking citizens.

Measure HB2541 proposes to increase the wage to \$13 an hour, and it supports the Earned Income Tax Credit. However, I would urge you NOT to support this measure because it's just not enough!

My husband and myself are retired and living on the Big Island in District 1, Precinct 3. My daughter and granddaughter live with us because, though she works 2 jobs to support her child, she is unable to afford to live independently at this time. She has always been a hard worker whose goal is working ONE job that pays more. However, now she can barely afford her car payment and any groceries she contributes to the family, let alone rent, which here on the Hamakua Coast is well over \$1000.00 per month. Factor in clothes, gas, car insurance plus other expenses and it's untenable. My fear is that she will eventually have to move to the mainland. I would hate to see her leave a place she (and we) love, just in order to survive.

Thank you for your consideration,

Julie Becker

jabecker48@gmail.com

907-687-7038

HB-2541

Submitted on: 1/29/2020 12:12:03 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Alex Miller	Individual	Oppose	No

Comments:

Aloha,

Thank you for the opportunity to submit testimony. I am writing in opposition to HB 2541 Relating to "Helping" Working Families because this wage increase is ridiculously low. It costs more than \$17/hr for a full-time worker to live in Hawaii. Increasing the minimum wage to \$13/hr by 2024 is granting a cost of living adjustment to a poverty wage. This bill keeps working families poor and ensures business owners and management get to stay rich. Propose and pass a bill which increases the minimum wage to at least \$15/hr by 2024, as workers need and deserve much more.

Alex Miller

HB-2541

Submitted on: 1/29/2020 12:30:36 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Charmaine Doran	Individual	Support	No

Comments:

Raising the minimum wage to an acceptable limit is way overdue. If the legislature is really serious about putting its people first, it should seriously consider adopting a minimum wage plan and rate much closer to \$17.00.

Aloha,

Charmaine T. Doran

Member, Pearl City Neighborhood Board No. 21

HB-2541

Submitted on: 1/29/2020 12:36:23 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Vanessa Ott	Individual	Oppose	No

Comments:

I do not support HB2541 because we should raise the minimum wage in the State of Hawaii to **\$15/hour** -- not just \$13/hour.

I suggest \$12/hr by 1/1/2021; \$13/hr by 1/1/2022; \$14/hr by 1/1/2023; and \$15/hr by 1/1/24. Don't be so cheap. Living in Hawaii sure as heck isn't cheap. Minimum wage shouldn't be so cheap either.

Mahalo,

Vanessa Ott

HB-2541

Submitted on: 1/29/2020 12:52:39 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Mentzel	Individual	Support	No

Comments:

I support this bill but kindly ask to set the target to \$17/hour, which may be phased in during a few years.

HB-2541

Submitted on: 1/29/2020 1:25:21 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
dennis boyd miller	Individual	Support	No

Comments:

HB2541

Thursday Jan 30, 9:00 am

Room 309

Dear esteemed and respected Members of the Committee deciding whether or not to alleviate suffering caused by poverty wages

Please raise the minimum wage to a dollar amount that allows people to afford not just rent and food, but also co pays and deductibles from our insurance policy.

In order to afford HMSA co pays and deductibles, and pay rent, and buy food, the minimum wage would have to be sky high.

There is no way we can afford the annual 6.5% increase of insurance premiums plus out of pocket expenses on \$13 per hour.

\$13 an hour causes people with prepaid health insurance from their employer to decline to get healthcare. This increases sickness and worsens injury. People with the flu will not get preventative care. People with asthma will wait until they have a near death experience and are carried by family to an emergency room for a \$1,500 life saving treatment, because our insurance doesn't just give low wage workers all the inhalers they need.

If you want to reduce the cost of living, then you must reduce the cost of healthcare. Luckily HB 2503, relating to the Hawaii Health Authority, can lower HMSA's premiums by 30%.

Please seek further public discussion on how the Hawaii Health Authority can throw away much of our current insurance admin and replace it with one unified business plan which all insurance companies in Hawaii would follow. They would all offer one single benefit package, bill for it the same way, and reimburse for it the same way. The state doesn't create a new 'single payer' anything. The state just lets the existing HHA give

our insurance companies a unified business plan that lowers the cost of business, lowers the cost of healthcare, and lowers the rate and spread of disease.

By lowering the cost of healthcare, a minimum wage of \$17 an hour will come closer to being an actual living wage in Hawaii.

This helps to reduce homelessness, reduce stress, and improve all aspects of the fabric of society.

Please seriously research the financial gains resulting from eliminating unnecessary problems.

Our current Managed Care experiment, started in 2009, is doing nothing except increase costs and force private practice physicians into early retirement.

Low wages maintain poverty.

Please consider the benefits of these proposals, and convene a public discussion with experts from all sides to offer a data based cost benefit analysis of the above proposals.

After you listen to the arguments of those who say that raising the minimum wage harms their ability to make a profit, and then you listen to the arguments of those who cite examples of cities who raised their minimum wage and then witnessed all of the benefits with none of the fear mongering, your decision to raise Hawaii's minimum wage to \$17 an hour will be clear.

That increase can be offset by eliminating unnecessary costs on businesses caused by our defective insurance market, including the workers compensation side, and in other ways.

The cash economy exists in part because people and many small businesses cannot afford health insurance.

Many employers and workers violate labor law by paying their staff as independent contractors. This significantly lowers their cost of business, and deprives the government of payroll taxes, as well as depriving the employee of UI/WC FICA benefits.

However, they do this, plus, they under report income, in order to report an amount below the threshold to qualify for Medicaid.

Medicaid is the insurance provider of the cash economy.

By enforcing labor law and compelling employers to pay their staff as employees, not independent contractors, those businesses will no longer have a lower overhead, resulting in a fair market place for the businesses who comply with labor law.

The state should seek to reward businesses who comply with labor law, especially if the state is going to raise the minimum wage.

By reducing the cash economy, honest businesses will gain an advantage, and the state will receive significantly more payroll taxes.

Again, the Hawaii Health Authority can eliminate the need to hide income just to be able to qualify for Medicaid. By lowering costs, covering the gap group in an expanded Medicaid, and converting qualification for Medicaid into a sliding scale, the incentive to work for cash will greatly reduce.

Into this equation, add in the savings to the state from using former Senator Green, now Lt Gov Green's 2017 idea of classifying homelessness as a medical condition under Medicaid. The rationale is that being homeless causes and exacerbates illness and injury. It costs less to house people than to pay their Medicaid bill.

By using Medicaid's budget to house many of the homeless, and raising the min wage, and adding in a form of rent control in some areas, homelessness will nearly disappear.

Again, eliminating unnecessary problems saves money.

The savings from no longer having a large homeless population will be enormous.

Businesses will benefit.

Tourism will benefit.

That savings will manifest in much less demand for the states current expenditures on low income assistance.

The state can quantify the savings from eliminating most homelessness and apply that savings to businesses in the form of reduced GE or payroll or withholding taxes.

Doing all of this will help to offset a jump to a minimum wage of \$17 per hour.

Thank you,

Dennis B Miller

singlepayerhawaii@gmail.com

HB-2541

Submitted on: 1/29/2020 1:26:40 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ellen Godbey Carson	Individual	Support	No

Comments:

I am writing to support this bill with a request for an amendment to increase the minimum wage to \$17 an hour. I volunteer extensively with IHS, with Faith Action, and other efforts to serve the needs of those living below the median area income, and through those efforts, see firsthand the problems in our community caused by wages that don't meet human survival needs. **We need a true living wage in this state.** Given our living costs, particularly housing costs in Hawaii, \$13 an hour is a start in the right direction, but is not enough to offset our state's cost of living. We have had high employment rates for some years now and this is a good time to raise the hourly rates to be truly a living wage. Many of our working people are working two or more jobs to make ends meet, and many families are doubling up with other families just to make ends meet. **So please pass a Living Wage of \$17 an hour.**

HB-2541

Submitted on: 1/29/2020 1:39:11 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
tlaloc tokuda	Individual	Comments	No

Comments:

I would think the state legislature meets with their constituents enough to understand there is a widening gap between cost of living and poor wage. So this bill is baffling.

\$13 per hour in 2024 is not a “good first step” and the “other elements of the package” (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day’s work.

"A good first step" is allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour.

An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases. That is the step Hawaii’s working families need and the only step that will ensure they eventually achieve a true living wage. Please do better!

Mahalo,

tlaloc tokuda

HB-2541

Submitted on: 1/29/2020 2:02:07 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Raymond Catania	Individual	Oppose	No

Comments:

Aloha Legislators,

Combining a good thing, the proposal on EITC, with a very bad minimum wage proposal of \$13 an hour by 2024 makes HB2541 a sham. And in a way, is trying to divide the forces that have advocated for Hawaii's poorest workers. Most of Hawaii's workers support an increase to \$15 an hour that can be adjusted to reflect the rising cost of living. I support Raise Up Hawaii's living wage to \$17 an hour along with a COLA that keeps up with inflation. We need more hearings in both houses for people to testify, combining both houses together is not very conducive for a full and democratic discussion. I won't support HB2541. Hawaii's poorest workers have not been included in your discussions.

Aloha, Ray Catania may11nineteen71@gmail.com 4215 Kole Place, Lihue,Hawaii
96766 (808) 631-6748

HB-2541

Submitted on: 1/29/2020 2:21:58 PM

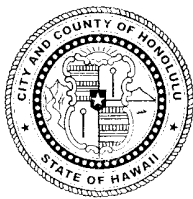
Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marian Heidel	Individual	Support	No

Comments:

I support bill HB2541, but respectfully suggest that it be ammended to raise the minimum wage to \$17/hr by 2025. This could be done by each year raising it at \$1 to \$1.50 per hour. **\$13 an hour is about \$27,000 a year for full-time work.** That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

***THE
FOLLOWING
TESTIMONY
IS MARKED
LATE***



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

JOEY MANAHAN
COUNCILMEMBER
(808) 768-5007
e-mail: jmanahan@honolulu.gov

LATE

HAWAII STATE CAPITOL, ROOM 309
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT; and
HOUSE COMMITTEE ON FINANCE
30 JANUARY 2020, 9:00 A.M.

TO: REPRESENTATIVE AARON LING JOHANSON, CHAIR OF HOUSE COMMITTEE
ON LABOR & PUBLIC EMPLOYMENT
REPRESENTATIVE STACELYNN K. M. ELI, VICE CHAIR OF HOUSE
COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
MEMBERS OF THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

REPRESENTATIVE SYLVIA LUKE, CHAIR OF HOUSE COMMITTEE ON FINANCE
REPRESENTATIVE TY J. K. CULLEN, VICE CHAIR OF HOUSE COMMITTEE ON
FINANCE
MEMBERS OF THE HOUSE COMMITTEE ON FINANCE

FROM: COUNCILMEMBER JOEY MANAHAN
HONOLULU CITY COUNCIL, DISTRICT VII

**Subject: Testimony in Support of House Bill 2541: Relating to Helping Working
Families**

Aloha Chair Johanson, Vice Chair Eli, Chair Luke and Vice Chair Cullen:

I am offering testimony in support of House Bill (HB) 2541. The cost of living in Hawai'i is one of the highest in the nation with many of our state's population working two or three jobs and yet still struggle to afford the basic necessities to remain stable and self-sufficient.

It takes just one crisis – loss of employment for a short period, an unexpected health emergency or car repair, an increase in monthly rent – to put these families and individuals at even greater risk of long-term problems like chronic health issues or loss of housing.

HB 2541 is a measure that will undoubtedly make a positive impact on the lives of all those struggling to make ends meet in Hawai'i. The focus of HB 2541 is on increasing raises to the minimum wage. It also aims to make permanent the state earned income tax credit and to increase the refundable food/excise tax credit.

The *ALICE: A Study of Financial Hardship in Hawai'i* reports that the cost of living in Hawai'i varies greatly across the state, but in all counties, it outpaces the wages of most jobs. The annual Household Survival Budget quantifies the costs of the five basic essentials of housing, child care, food, transportation, and health care. Using the thriftiest official standards, including those used by the U.S. Department of Agriculture (USDA) and the U.S. Department of Housing and Urban Development (HUD), the average annual Household Survival Budget for a Hawai'i family of four (two adults with one infant and one preschooler) is \$72,336, and for a single adult it is \$28,128. These numbers vary by county, but all

highlight the inadequacy of the 2015 adjusted U.S. poverty designation of \$27,890 for a family and \$13,550 for a single adult as an economic survival standard in Hawai'i.

It is imperative that we all work together at the state and county levels to strengthen the financial well-being of the hardworking families of our state through the passage of HB 2541.

If you have any further questions, please do not hesitate to contact me by e-mail at jmanahan@honolulu.gov or by phone at (808)-768-5007.

Mahalo for your time and consideration and your efforts to help working families in Hawai'i.

LATE



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

KYMBERLY MARCOS PINE
COUNCILMEMBER, DISTRICT 1

Re: Testimony Regarding House Bill 2541

I believe the time is right for state lawmakers to adopt a higher minimum wage for the hard-working people of Hawai'i and I applaud your willingness to consider an increase in the living wage. **Unfortunately, HB 2541 will only raise the minimum wage to \$13.00 per hour and not until the year 2024 - the hard working people of Hawai'i need relief now.**

Unemployment has remained low for some time and many employers are already voluntarily paying higher wages in order to keep good employees. We know residents are leaving the State because they can no longer afford the best life here for their 'ohana. In 2019, the U.S. Census reported that due to the rising cost of living Hawai'i saw 37,000 more people leave the islands than enter, over the last two years.

Hawai'i's current minimum wage is \$10.10 per hour, the federal minimum is just \$7.75 per hour. Hawai'i's Department of Business and Economic Development and Tourism (DBEDT) estimates the basic minimum living wage for a single person in Hawai'i is \$17.00 per hour.

In 2019, online job finder Indeed.com, reported that when adjusted for the high cost of living, salaries in Honolulu are the lowest in the nation among all urban areas throughout the country. According to the U.S. Department of Housing and Urban Development (HUD) a family of four in Honolulu that makes \$93,300 per year is considered low income.

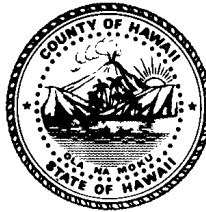
Last year, there was much talk about raising the minimum wage to \$15.00 per hour by 2023, but the measure was defeated and with it, hopes of a better life in Hawai'i for so many struggling residents. Government and businesses must keep up with the demand for higher wages to continue economic growth.

Please amend HB 2541 to increase the minimum wage to \$17.00 per hour, or at least \$15.00 per hour in 2020, with a mechanism to include annual cost of living increases so our families and friends can stay and prosper right here in Hawai'i.

With Aloha,

Kym Pine
Councilmember
City and County of Honolulu

REBECCA VILLEGAS
Council Member
District 7, Central Kona



PHONE: (808) 323-4267
FAX: (808) 323-4786
EMAIL: Rebecca.villegas@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

*West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740*

LATE

January 29, 2020

TESTIMONY OF REBECCA VILLEGAS
COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL
ON HB 2541, RELATING TO HELPING WORKING FAMILIES
Committee on Labor & Public Employment
Committee on Finance
Thursday, January 30, 2020
9:00 a.m.
Conference Room 309

Aloha Chair Johanson, Chair Luke, and Members of the Committees:

I thank you for the opportunity to testify in support of HB 2541, relating to helping working families. My testimony is submitted in my individual capacity as a member of the Hawai'i County Council.

The purpose of this measure makes the state earned income tax credit refundable and permanent, increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer/s Hawai'i earned income, rather than the federal adjusted gross income. It also increases the minimum wage rate to \$11.00 beginning year 2021, and ending with an increase of \$13.00 by the year 2024. Though this measure is a good first step, the minimum wage should be increased starting at a higher rate than \$11.00 per hour. Our working families deserve a true living wage to be able to afford basic needs in Hawai'i's high cost of living. Tax credits and housing initiatives are beneficial to our working families but our working families need the higher wage to be able to supply basic needs for themselves. Anyone working 40 hours a week deserves to earn a wage sufficient to provide a place to sleep, three meals a day and basic health care. Hawai'i has the second highest homeless rate per capita in the entire United States and 50% of our residents live on the very edge of poverty. With an increase of the minimum wage, our economy will strengthen, it will help address our homeless issue, and will hugely help our working families so that our local residents can afford to live here.

For the reasons stated above I urge the Committee on Labor & Public Employment, and the Committee on Finance to support this measure and amending the starting raise of minimum wage to be higher than \$11.00. Should you have any questions, please feel free to contact me at (808) 323-4267.

Mahalo for your consideration.

A handwritten signature in black ink, appearing to read 'Rebecca Villegas', with a stylized, cursive script.

Rebecca Villegas
Council Member, Hawai'i County Council



LATE

Board of Directors:

Gary L. Hooser
President

Andrea N. Brower
Ikaika M. Hussey
Co-Vice Presidents

Kim Coco Iwamoto
Treasurer

Bart E. Dame
Secretary

Paul Achitoff

Laura Harrelson

Kaleikoa Ka'eo

Michael Miranda

Walter Ritte Jr.

Pua Rossi-Fukino

Karen Shishido

Leslie Malulani Shizue Miki

**House Committee on Labor & Public Employment / House
Committee on Finance**

**Hawai'i Alliance for Progressive Action supports: HB 2541
with amendments**

Thursday, January 30, 2019, 9:00 a.m. Conference Room 309

Aloha Chair Johanson, Chair Luke, Vice Chair Eli, Vice Chair
Cullen and Members of the Committees,

On behalf of the Hawai'i Alliance for Progressive Action (HAPA) I
am submitting testimony in **support of HB 2541 with
amendments.**

We appreciate the intent of this bill and the legislature's focus on
addressing the struggles of low-income and working families this
session. However we respectfully encourage the committee to
consider increasing the minimum wage to a truly living wage.

\$13 an hour is about \$27,000 a year for full-time work. That's
not enough to live on in 2020, let alone 4 years from now. In the
most expensive state in the nation, Hawai'i's minimum wage
workers need to make enough to be able to afford the basics.

The last time Hawai'i's minimum wage earners got a raise—to
\$10.10 an hour—was January 1, 2018. They already have been
stuck at that level—\$21,000 a year for full-time work—for more
than 2 years. With inflation eroding their pay, **\$10.10 now is worth
only \$9.68**, so full-time minimum wage workers in Hawai'i are
losing the equivalent of over \$500 per year to inflation.

Hawai'i's current minimum wage is already lower than in all other
highest cost-of-living states. And Hawai'i will be falling further
behind. The next 8 most expensive states have passed laws to
raise their minimum wages to at least \$15 over the next 5 years—
and the cost of living in all of those states is *lower* than in Hawai'i.
These other high cost-of-living states also already have *refundable*
state earned income tax credits (EITC), meaning that a tax payer

can get a refund if their credit is worth more than they owe in income tax, for low-wage and working-class taxpayers.

In addition, EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn't have an income tax) than in Hawai'i. In other words, even if Hawai'i's EITC becomes refundable, minimum wage earners in the next 8 most expensive states will receive more from their EITCs than in Hawai'i.

With those 8 other states—all with lower costs of living than in Hawai'i—already on track to raise their minimum wage **well past \$15** in the coming years, Hawai'i should raise its wage by between \$1 and \$1.50 per year to \$17 an hour by 2025. That would mean an average increase of 11 percent per year—which is less than some of the increases in Hawai'i's minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

How much do people need to make ends meet in Hawai'i? Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to “meet their basic needs” in 2020. Other research groups have pegged basic economic security in Hawai'i even higher.

The difference between \$17 an hour and \$13 an hour is more than **\$8,000 per year for full-time work**. That's much more than the vast majority of low-wage and working-class taxpayers in Hawai'i will receive in tax credits.

In the most expensive state to live in the nation, our struggling low-wage families need bigger tax credits AND a *robust* boost to the minimum wage. Otherwise working-age people in Hawai'i will keep moving away to other states, where they'll be paid more and be able to afford a decent standard of living.

HAPA is a member of the Common Good Coalition and Raise Up Hawai'i.

Mahalo for your consideration,



Anne Frederick
Executive Director



LATE

Maui United Way
95 Mahalani Street, Suite 24
Wailuku, Hawaii 96793

January 30, 2020

Representative Aaron Ling Johanson, Chair, Committee on Labor & Public Employment
Representative Stacelynn K. M. Eli, Vice Chair, Committee on Labor & Public Employment
Representative Sylvia Luke, Chair, Committee on Finance
Representative Ty J. K. Cullen, Vice Chair, Committee on Finance

HB 2541: STRONG SUPPORT

Hearing: January 30, 2020; Hearing Time 9:00; Conference Room 309

Aloha Chair Johanson, Chair Luke, Vice Chair Eli, Vice Chair Cullen and Committee Members:

Maui United Way strongly supports HB 2541 which makes the State Earned Income Tax Credit (EITC) permanent and refundable, increases and amends the refundable food/excise tax credit, and increases the minimum wage to \$13.00 per hour by 2024.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. This group is vulnerable to minor personal financial setbacks and is unable to weather broad economic downturns. For example, during the great recession, 27,000 of Hawaii's households fell from financial stability into ALICE and, more significantly, they have not yet recovered. As a result, Hawaii has seen three consecutive years of population decreases as families leave in pursuit of increased financial stability.

The actions proposed in HB 2541 will increase the minimum wage with more gradual changes so that employers have time to adjust. The Bill also includes tax breaks to reduce the overall tax burden on the lower income population. Finally, when combined with other pending legislation intended to stabilize this vulnerable population, the cumulative effect will be a substantial increase in the financial health of our community.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2541.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nicholas Winfrey', is written over a blue horizontal line.

Nicholas Winfrey
President & Chief Professional Officer



of Hawaii

LATE

January 29, 2020

Hawaii State House Committee on Labor & Public Employment, House Committee on Finance

Hearing Date/Time: January 30, 2020 9AM

Place:

Re: Comment for HB2541

Dear Chair Johanson, Chair Luke, Vice Chair Eli, Vice Chair Cullen and Members of the Committees,

Members of AAUW of Hawaii are grateful for this opportunity to submit a comment for HB2541, which would make the state earned income tax credit refundable and permanent, and increase minimum wage to \$13 per hour by 2024.

We support making the EITC refundable and permanent for that would benefit the working-class families by allowing them to keep more of what they earn. The EITC would reduce the number of households headed by single mothers receiving cash welfare according to The Center on Budget and Policy Priorities and the EITC is especially important to women who typically earn less than men. Help the working-class families, single mothers and their children by passing this bill.

While it is a great start to increase to \$13 by 2024, we request that the minimum wage to be increased to \$17. Living wage in Hawaii for a single person as of January 2019 was \$15.73 and \$27.47 for a person with one child¹. To rent a market-rate one bedroom apartment, a single person has to make over \$57,000 a year or \$27.44 per hour.

In Hawaii, more than 52,000 family households are headed by women and about 17 percent of those families, or 8,799 family households, have incomes that fall below the poverty level². We request that this bill be amended to increase the minimum wage to at least \$17 because increasing the minimum wage to a living wage would provide much-needed income to women whose wages sustain their households.

The American Association of University Women (AAUW) of Hawaii is a state-wide organization made up of six branches (Hilo, Honolulu, Kauai, Kona, Maui, and Windward Oahu) and includes just over 650 active members with over 3800 supporters statewide.

¹ <https://livingwage.mit.edu/states/15>

² <http://www.nationalpartnership.org/our-work/resources/workplace/fair-pay/4-2017-hi-wage-gap.pdf>

As advocates for gender equity, AAUW of Hawaii promotes the economic, social, and physical well-being of all persons.

Please pass this bill with the amendment to \$17 requested and mahalo.

A handwritten signature in blue ink, appearing to read 'Y. Overly'.

Younghee Overly
Public Policy Chair, AAUW of Hawaii
publicpolicy-hi@aauw.net



LATE

Eric W. Gill, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Godfrey Maeshiro, Senior Vice-President

January 29, 2020

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
COMMITTEE ON FINANCE

Re: Testimony on HB2541: RELATING TO HELPING WORKING FAMILIES

Aloha Chair Johanson & Chair Sylvia Luke and Committee Members,

UNITE HERE Local 5 is a labor organization representing 12,000 hotel, healthcare, and food service workers employed throughout our State. We would like provide comments with strong reservations on HB2541. We appreciate some components of the bill, but it is lined with poison pills.

As a Union, it is our duty to look out for the interests of workers. Therefore, we appreciate any measure that takes a pragmatic and progressive approach to provide financial security for working people living paycheck to paycheck. However, incrementally increasing the minimum wage to \$13 per hour by 2024 is unconscionable.

Our Union believes one job should be enough to live in Hawai'i—to keep up with the cost of living, to raise our families, and enough to retire in dignity. Our members fought diligently to make the “ONE JOB SHOULD BE ENOUGH” movement a reality for many in Hawai'i - including pulling off a 51-day strike that ensured subcontracted workers in our Hotels received the Union standard, which for most workers, double the minimum wage proposed in this measure.

It is our state officials responsibility to protect the most vulnerable citizens and we ask for the Committees' support in raising the minimum wage in a truly impactful way. \$13 per hour by 2024 is definitely not impactful and will not provide the basic necessities to survive in Hawai'i.

Ask yourselves: would you be able to survive on the current \$10.10 per hour? \$13 per hour *four years* from now? We urge you to amend this measure to \$17 per hour pegged to inflation effective immediately.

Thank you



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 2541: Relating to Helping Working Families

TO: Representative Aaron Johanson, Chair, Representative Sylvia Luke, Chair; and
Members, Committees on Labor and Public Employment, and Finance
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: **Thursday, January 30, 2020; 9:00 am; CR 309**

Chair Johanson, Chair Luke, and Members, Committees on Labor & Public Employment, and Finance:

Thank you for the opportunity to provide testimony **in support of** HB 2541, which makes the EITC refundable, increases and amends the food/excise tax credit, and increases the minimum wage. I am Rob Van Tassell with Catholic Charities Hawai'i. This bill addresses important social justice issues and provides first steps to address the great burden that Hawaii's cost of living places on our citizens.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai'i. This bill considers several of our social justice priorities.

Many of the vulnerable in Hawai'i are the working poor, people who earn low wages through hard work but due to our high cost of living struggle to make ends meet. We serve these low-income workers in our programs. They are often barely able to avoid homelessness, or working several jobs to juggle the basic expenses of their families and unable to spend time raising their children. These workers are parents who try very hard to support their own families but often must also rely on some type of public or charitable assistance.

Catholic Charities Hawai'i strongly supports wage and tax relief that will help our working class families and individuals live a life of peace and dignity. Making the state's Earned Income Tax Credit (EITC) refundable is strongly supported. Food is of great concern to us also, especially for working families who make over the limit for Food Stamps (SNAP), who may have increased food insecurity. The proposed change to the food/excise tax credit is a step forward, but we must continue to address the high cost of food which directly impacts on the health of our children and seniors who may lack adequate nutrition.

Lastly, we support increasing the minimum wage. **We need a minimum wage, however, that truly meets the basic needs of our workers.** Higher wages are critical to enable workers to be self-sufficient and see hope for a future here in Hawaii. If we lose our workers to outmigration, this will have dire consequences in the future. Higher wages are not only just for workers but also support the local economy. Low-income workers spend their income on basic living expenses and higher wages would be put right back into local businesses.

This is an important bill for economic justice. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at 373-0356, bettylou.larson@catholiccharitieshawaii.org.



Catholic
Charities
USA



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eumoku Street, Honolulu, HI 96822
Phone (808) 373-0356 • bettylou.larson@CatholicCharitiesHawaii.org



January 30, 2020

Honorable Representative Aaron Ling Johanson
Honorable Representative Sylvia Luke
House Committee on Labor & Public Employment, House Committee on Finance
Hawaii State Capitol, Conference Room 309, 9:00 A.M.
415 South Beretania Street
Honolulu, HI 96813

RE: HB2541 RELATING TO HELPING WORKING FAMILIES.

Dear Chair Johanson, Chair Luke, and members of the Committees:

On behalf of the Alzheimer's Association, Aloha Chapter, I am writing to extend our **support with comments** for House Bill 2541. This measure makes the state earned income tax credit refundable and permanent, increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income, and transitions the minimum wage rate to \$13 per hour beginning on 1/1/2024.

While we support this measure, we must comment that a transition to a \$17 per hour minimum wage is preferable. \$13 per hour is about \$27,000 a year for full-time work. Simply put, that is not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics. Hawai'i's current minimum wage is already lower than in all of the other high cost-of-living states. The next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is lower than in Hawai'i.

The Alzheimer's Association, Aloha Chapter is especially concerned with the compensation for paid caregivers. The salary range includes below \$12 per hour on the lower end and often averages around \$15 an hour on average. At a time when we already have a shortage of paid caregivers and high burnout rates while also dealing with an aging population, it is important to ensure those providing care professionally are able to afford to live and work in our state. \$13 per hour will not only provide insufficient relief, by 2024 it is unlikely to provide any relief for struggling paid caregivers.

I appreciate the opportunity to provide support with comments on this legislation.

Ian Ross
Public Policy and Advocacy Manager
iaross@alz.org | Phone: (808) 591-2771 x1333



HAWAII REGIONAL COUNCIL OF CARPENTERS

LATE

The Committees on Labor and Public Employment
and Finance
House of Representatives
Hawaii State Legislature
January 30, 2020
9:00 a.m., Room 309

Statement of the Hawaii Regional Council of Carpenters (HRCC) On H.B. 2541 Relating to Helping Working Families

The HRCC, the Hawaii Carpenters Union, is in strong support of H.B. 2541, which in combination with other Bills recognizes and addresses the unequal effects of our nation's "good economy" on workers. The HRCC supports increases in the minimum wage and the concept of a refundable earned income tax credit combined in this Bill.

Skilled union carpenters are not usually associated with minimum wages, but as a part of the community, live with the effects of workers and families whose income does not cover expenses. Carpenters' family members work for the minimum wage. In recessionary times when there is no construction work, carpenters may work for minimum wages to survive.

The proposed increases provide a middle ground among proposals of the past few years, hopefully meaning that minimum wage workers can get a raise - now. With the passage of this Bill it will have been three years since the last raise. If anything, the \$13.00 per hour rate should be rescheduled for January 1, 2022 Instead of 2023. In 2014 the Legislature substantially addressed the years of inflationary losses minimum wage earners suffered, but even the increases of H.B 2541 do not achieve the catch-up to the buying power of the minimum wage in the late 1960's.

The refundable earned income tax credit represents the realization that upholding a decent standard of living in Hawaii requires a multi-faceted effort. The two approaches go together, with the tax credit spreading the burden.

Thank you for considering the support of the HRCC for H.B. 2541.

STATE HEADQUARTERS & BUSINESS OFFICES

OAHU: 1311 Houghtailing Street, Honolulu Hawaii 96817-2712 • Ph. (808) 847-5761 Fax (808) 440-9188
HILO OFFICE: 525 Kilauea Avenue, Room 205, Hilo, Hawaii 96720-3050 • Ph. (808) 935-8575 Fax (808) 935-8576
KONA OFFICE: 75-126 Lunapule Road, Kailua-Kona, Hawaii 96740-2106 • Ph. (808) 329-7355 Fax (808) 326-9376
MAUI OFFICE: 330 Hookahi Street, Wailuku, Maui 96793-1449 • Ph. (808) 242-6891 Fax (808) 242-5961
KAUAI OFFICE: Kuhio Medical Ctr Bldg., 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911



LATE

TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII
January 30, 2020

Re: HB 2541 Relating to Helping Working Families

Good morning Chairperson Johanson, Chairperson Luke and members of the House Committee on Labor and Employment and the 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.

While the Retail Merchants of Hawaii appreciates the work and the intent of HB 2541 Relating to Helping Working Families; we must respectfully oppose this measure as written as we have some major concerns. This measure makes the state earned income tax credit refundable and permanent. Increases and amends the refundable food/excise tax credit by basing the amount of the credit on a taxpayer's Hawaii earned income, rather than federal adjusted gross income. Increases minimum wage rate to \$11.00 per hour beginning on 1/1/2021, \$12.00 per hour beginning on 1/1/2022, \$12.50 per hour beginning on 1/1/2023, and \$13.00 per hour beginning on 1/1/2024.

Over the past few years, the retail industry has seen long time standing stores closing - from local mom and pops shops to national chain stores. More recently retailers have begun to adjust by restructuring their business plans and budgets to accommodate the rising cost of healthcare and other mandated expenses and to keep their doors open. What does a raise in minimum wage mean?

- Many local **small businesses won't be able to afford** the 90 cents per hour wage increase this bill calls for next year in 2021.
- **Minimum wage increase causes a compression of wages** between newly hired/inexperienced workers and the veteran/experienced employees.
 - Newly hired unskilled employees should not be making more than the seasoned employees who are already trained.
- **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 in Hawaii but not on the mainland.
- **Starting to see employee layoffs** to stay solvent and keep their doors open.
 - Currently with the low unemployment, the market can absorb these workers. However, there will be a point when the market is saturated, and unemployment will begin to climb.
- Potential to cut employee hours
- With fewer employees, **customer service will be negatively impacted** with longer lines and less employees to assist the customers and longer checkout lines.
- **Businesses are looking into implementing artificial intelligence and more self-checkout lines** as ways to cut costs to cover government mandates.
- **Price of goods will increase to cover the increased cost of payroll, thus driving up the cost of living in Hawaii**. Our retailers no longer have competitive pricing and customers go elsewhere or purchase online and not in the stores.

We ask that you consider reducing the increase and stretching the time frame. It would allow smaller businesses to adjust and not be so negatively impacted. In addition to including language that address commissions and tip credit.

Mahalo again for this opportunity to testify.



3610 Waiālae Ave • Honolulu, HI 96816



(808) 592-4200



tyamaki@rmhawaii.org



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE HOUSE COMMITTEES ON
LABOR & PUBLIC EMPLOYMENT AND FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309
THURSDAY, JANUARY 30, 2020 AT 9:00 A.M.**

To The Honorable Aaron Ling Johanson, Chair;
The Honorable Stacelynn K.M. Eli, Vice Chair; and
Members of the Committee on Labor & Public Employment;

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

COMMENTS ON HB2541 RELATING TO HELPING WORKING FAMILIES

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce, with approximately 650 members.

We appreciate that the Governor, House and Senate have come together on a legislative package and are trying to address Hawaii's high cost of living and pay equity through the Earned Income Tax Credit and food/excise tax credit. We wholeheartedly support bills HB2071, HB2655 and SB3163 to include a fiscal/economic impact statement with bills and HB2210 to conduct a business climate report, so legislators better understand the ramifications of laws affecting businesses and the costs of doing business in Hawaii. While very high minimum wage rates have been floated over the past several years, we welcome the consideration given to the significant impacts the business community faces with increases and the lower amounts proposed.

Given the minimum wage proposal, we are in the process of surveying our membership on the impacts of reaching a \$13 per hour minimum wage over the next 4 years and the issues businesses would face. Some early results are in. Out of 62 respondents from a variety of industries and business sizes (representing every industry on Maui), this is what we are seeing:

- There is a close split between people saying they can already afford this cost and those saying they have to take measures to accommodate this raise. Measures include: raising costs/fees and passing it on to consumers (further increasing the cost of living); having to reduce medical expenses; reducing employee hours; laying off employees; and government reduction of taxes.
- Of those who reported they can afford this cost, they are already having to do so due to current market conditions and expect to with a strong economy.
- 27% of respondents have indicated it would create a financial hardship to their business and that includes several large businesses.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

Page 2

As there is a close split, with approximately 50% of our members saying they are going to have to take additional measures to afford this minimum wage increase, we are concerned.

Thus far, only a handful of small businesses have responded as they are very busy and often wear many hats. Small businesses are usually the most affected by an increase. Given this, we are awaiting additional responses before finalizing our survey and sharing more data.

In addition, the tip credit is important to many of our members and we defer to the restaurant industry to share their thoughts on what should be included in this bill with respect to a tip credit.

We appreciate the opportunity to provide comments on this measure and your taking into account the impacts on businesses.

Sincerely,

Pamela Tumpap
President

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



LATE

January 30, 2020
Conference Room 309
Hawai'i State Capitol
425 South Beretania Street
Honolulu, HI 96813

TESTIMONY IN SUPPORT OF HB 2541 – RELATING TO HELPING WORKING
FAMILIES

Aloha Chair Johanson, Chair Luke, and members of the House of
Representative Committees on Labor & Public Employment and Finance,

Mahalo for the opportunity to submit written testimony in support of HB
2541, which would amend existing law to enhance tax credits and minimum
wage requirements for qualified earners. Making the state Earned Income Tax
Credit refundable is particularly helpful to working families, and we believe should
be supported by the entire state Legislature.

Mahalo for the opportunity to testify,

Ann Botticelli
SVP Corporate Communications and Public Affairs

LATE

HB-2541

Submitted on: 1/29/2020 11:42:08 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James K. Chan	Hawaiian Chip Company, LLC	Oppose	No

Comments:

Aloha Chair Johanson, Vice Chair Eli, Chair Luke, Vice Chair Cullen and members of the Committee on Labor & Public Employment and members of the Committee on Finance:

As General Manager and Owner of the Hawaiian Chip Company, I oppose HB 2541. Last year I hired over 10 employees at a wage of \$12 an hour or lower. Only two, hired late in the year, made it to 2020 with the others either leaving without notice or being fired for attendance issues or disciplinary reasons. The cost of having to pay them more and the cost of training them makes it less likely that other hardworking employees deserving of more pay will get adequate raises if this minimum wage continues to increase. My company will suffer from the same wage compression we saw when the minimum was raised to \$10.10 an hour. Another minimum wage increase will not improve work quality and it will discourage me from giving entry level opportunities to people who might be deserving of a chance at moving up in position and pay in the company. Being more selective about how many people I hire will keep my business small, limiting the opportunities for my current staff to grow with a company.

I do support the idea of *earned* income tax credits because it is a system that intends to reward accomplishment rather than fueling entitlement. It could provide a little relief to our middle class and help those motivated to do so, move up into the middle class. I feel that giving minimum wage pay raises that have not been earned goes against building a strong motivated workforce and will harm small businesses and our middle class just like the last increase did.

If we can establish a mandatory prerequisite 1,040 hours worked at the same job in order to earn the newly proposed minimums, from that employer, I would back off of my position in opposition to this bill. This would help establish accountability on employers to reward reliability and employees to prove ability. I would then feel comfortable about being able to take more risks on entry level hires to build a bigger company that could support more middle class jobs in a better Hawaii. Thank you for your consideration.

Mahalo,

Jimmy Chan



LATE

HIPHI Board

Michael
Robinson, MBA, MA
Chair
Hawaii Pacific Health

JoAnn Tsark, MPH
Secretary
John A. Burns School of
Medicine, Native Hawaiian
Research Office

Kilikina Mahi, MBA
Treasurer & Vice Chair
KM Consulting LLC

Forrest Batz, PharmD
Retired, Daniel K. Inouye
College of Pharmacy

Debbie Erskine
Kamehameha Schools

Keawe'aimoku
Kaholokula, PhD
John A. Burns School of
Medicine, Department of
Native Hawaiian Health

Mark Levin, JD
William S. Richardson School
of Law

Bryan Mih, MD, MPH
John A. Burns School of
Medicine, Department of
Pediatrics

Rachel Novotny,
PhD, RDN, LD
University of Hawaii at Manoa,
College of Tropical Agriculture
and Human Resources

Garret Sugai
Kaiser Permanente

Catherine Taschner, JD
McCorriston Miller Mukai
MacKinnon LLP

Date: January 30, 2020

To: Representative Aaron Ling Johanson, Chair
Representative Stacelynn Eli, Vice Chair
Members of the Labor and Public Employment Committee

Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair
Members of the Finance Committee

Re: Support for HB 2541, Relating to Helping Working Families

Hrg: January 30, 2020 at 9:00 am at Conference Room 309

The Hawai'i Public Health Instituteⁱ is in **Support of HB 2541 and offers an amendment**. SB 2541 increases the minimum wage to \$13 per hour by 2024, makes the earned income tax credit refundable and permanent, and amends the food/excise tax credit.

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.

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.

Because the minimum wage should be a living wage, we request that the bill be amended to raise the minimum wage to \$17 by 2025. The Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn \$17.63 an hour to "meet their basic needs" in 2020ⁱⁱ.

In addition to increasing the minimum wage, the earned income tax credit also helps working families keep more of their income. Making the tax credit refundable and permanent will further help these families in making ends meet.

Thank you for the opportunity to provide testimony.

Mahalo,

A handwritten signature in black ink, appearing to read "Jessica Yamauchi".

Jessica Yamauchi, MA
Executive Director

ⁱ Created by the legislature in 2012, the Obesity Prevention Task Force is comprised of over 60 statewide organizations, and works to make recommendations to reshape Hawai'i's school, work, community, and health care environments, making healthier lifestyles obtainable for all Hawai'i residents. The Hawai'i Public Health Institute (HIPHI) convenes the Task Force and supports and promotes policy efforts to create a healthy Hawai'i.

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.

ⁱⁱ Department of Business, Economic Development and Tourism. SELF-SUFFICIENCY INCOME STANDARD Estimates for Hawaii 2016. December 2017.

LATE

HB-2541

Submitted on: 1/29/2020 5:30:22 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
amy agbayani	Filipina Advocacy Network FAN	Oppose	No

Comments:

The dollar amount included in HB2451 is inadequate. I urge you to approve \$17 minimum wage by 2025.

LATE

I support the Earned Income Tax Credits and food refund parts of this bill. It is the Minimum Wage portion of the bill that I do NOT support because it offers way too little too late.

10 years ago, in 2009, I was a newly divorced, single mother working a job that paid me \$15.71 an hour. This was a state contract job. I had a masters degree. And I could not figure out why I was having just a hard time making ends meet. It finally dawned on me that it was not the fault of my budgeting skills, but that rather \$15.71/hr in 2009 was simply not enough to live on.

Here we are 10 years later and people are expected to live on \$10.10/hr – or maybe \$20.20 if there are 2 in the household making minimum wage. And this is 2020!

It is very generous of the Legislature to start the session with a bill to raise the minimum wage – but to raise it to \$13.00/hr in 4 years is just a slap in the face for all working people and does not truly address the issue..

It used to be that minimum wage workers were all high school students, just starting out in the workplace in part-time jobs. That is, unfortunately, no longer the case. These same minimum wage jobs are now being filled by parents of young children, adults trying to get ahead in life, and even many seniors living on very limited fixed incomes.

This year's Legislature must figure out a way to raise the minimum wage to \$17 an hour, as soon as possible – we all know that by 2024 \$17 will no longer be anywhere near a Living Wage.

Respectfully submitted,

Catherine Graham
Faith Action for Community Equity

HB-2541

Submitted on: 1/29/2020 2:49:12 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Vickie Parker Kam	Individual	Support	No

Comments:

My name is Vickie Kam and I am writing in strong support of HB2541 with amendments to \$17.00 per hour by 2025. As an educator, I ask my students to consider the meaning and power of words - I respectfully ask you to consider the purpose of the word "minimum". The issue with the current conversation and laws on minimum wage in Hawaii seem to have forgotten the actual **purpose** of the minimum wage.

In 1938 the federal government passed the Fair Labor Standards Act, creating the first wage support to bolster wageworkers and decrease class stratification. The minimum wage was designed to create a *minimum standard of living to protect the health and well-being of employees*. The minimum wage was not established for profit over human welfare.

We can not, in good conscience, continue to say that less than a minimum standard of living is acceptable for Hawaii's citizens. This means that the data showing that we need to drastically increase the minimum wage should be enough to spur us to support this increase. Moving to \$15.00 over 5 years is only going to put our hard working families further and further behind and will INCREASE the class stratification throughout Hawaii.

Please consider all the constituents throughout the state and vote to amend this bill to allow for our citizens to earn a Living Wage and not continue with bare subsistence minimum wages.

Mahalo,

Vickie Kam

LATE

HB-2541

Submitted on: 1/29/2020 3:50:42 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bonnie Marsh	Individual	Support	No

Comments:

HB-2541

Submitted on: 1/29/2020 3:59:33 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Frank szczepanski	Individual	Support	No

Comments:

I support raising the minimum wage. However \$13 per hour is not enough to support working families in Hawai'i. Rent alone costs \$2000 to \$3000 per month. Food, utilities, transportation costs another \$1000 to \$2000 per month. Together that means a working family just gets by on \$3000 to \$4000 per month and there is nothing left for insurance, higher education or emergency healthcare needs.

I recommend you amend this bill and raise the minimum wage to \$18 per hour by gradually increasing it in increments of \$1.50 to \$2.00 per year beginning at \$13 per hour till we reach \$18 per hour, then adjust for COLA based on CPI increases each year thereafter.

Sincerely,

Frank Szczepanski

District 12, Kula, HI

LATE

HB-2541

Submitted on: 1/29/2020 4:11:53 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Minara Mordecai	Individual	Comments	No

Comments:

Aloha members of the Finance and Labor Committees:

The cost of living in Hawaii is more than \$17 per hour. Americans who work at least 40 hrs per week should not be living in poverty, it's far past time we take the steps to make this the minimum wage to fulfill the American promise to its working class.

- 8 states, all with lower costs of living, [have passed](#) a \$15 minimum wage into law.
- A [majority of legislators](#) publicly support at least a \$15 minimum wage

\$13 per hour by 2024 is not enough to bring workers out of poverty. This bill raises the minimum wage too low and too slow.

As legislators will be getting more than \$11,000 in raises by 2024, workers deserve raises of at least that much.

A bill to raise the wage to at least \$15 per hour needs to be given a final vote. Please don't let another year pass without giving the American workers the justice we deserve.

Mahalo.

LATE

HB-2541

Submitted on: 1/29/2020 4:26:11 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Maura Stephens-Chu	Individual	Comments	No

Comments:

Aloha members of the Finance and Labor Committees:

â€‹

The cost of living in Hawaii is more than \$17 per hour. As no full-time worker should be living in poverty, it's far past time we take the steps to make this the minimum wage.

â€‹

\$13 per hour by 2024 is not enough to bring workers out of poverty. This bill raises the minimum wage too low and too slow.

â€‹

As legislators will be getting more than \$11,000 in raises by 2024, workers deserve raises of at least that much.

â€‹

A bill to raise the wage to at least \$15 per hour needs to be given a final vote. Please don't let another year pass without giving us the justice we deserve.

â€‹

Mahalo,

â€‹

Concerned Citizen

LATE

HB-2541

Submitted on: 1/29/2020 4:28:52 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bev harbin	Individual	Support	No

Comments:

Aloha Chair and members: As a former small business owner and now as the CEO of a federally qualified health center, I personally see the struggles that our patients, community members and my own employees suffer with living and support their lives in Hawaii. Our cost of living and the cost for our basic needs is an issue we all need to face. It starts with those on the lower spectrum of the living wage. We need to acknowledge the economic value of our employees and I personally ask that you pass a living wage bill that truly address equity with our Hawaii cost of living. Please think beyond \$13.00 per hours and find true balance with a fair living wage for our people

LATE

HB-2541

Submitted on: 1/29/2020 4:53:03 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lauren Ballesteros-Watanabe	Individual	Support	No

Comments:

Aloha,

My name is Lauren Watanabe and I am writing as a member of Faith Action for Community Equity. I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

Sincerely,

Lauren Watanabe

LATE

HB-2541

Submitted on: 1/29/2020 5:04:16 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Whitney Lee Kim	Individual	Support	No

Comments:

Aloha distinguished committee members,

My name is Whitney Kim and I am writing in support of HB2541, however it needs to be amended to increase the minimum wage to at least \$17 an hour by 2025. With close to half (47%) of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living today let alone five years from now.

Connecticut, California, Illinois, Maryland, Massachusetts, New Jersey, New York, and Washington D.C. have already passed laws requiring a \$15 dollar minimum wage by 2025 or earlier. Similar to high standards of living in metropolitan areas of California and New York, the cost of paradise here in Hawaii is almost unattainable for local blue collar minimum wage workers. The bill also proposes earned income tax credits (EITC), but the benefit of making the EITC refundable is virtually non-existent for those *without* children, and equates to less than \$700 for workers *with* children. These credits that do little to help minimum wage earners, and are an unacceptable tradeoff for higher earnings.

As someone born and raised on the shores of Oahu, I spent most of my young adult life trying to establish a career on the mainland and abroad. Now that I am home due to medical necessity for my parents, I am finding that my bachelor's degree and years of work experience barely get me in the door for jobs paying \$12-\$15 dollars an hour. If we don't take action now, our younger generations will continue to seek affordable living situations away from our shores. This mass exodus of residents will create irreparable damage to our local economy. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

LATE

HB-2541

Submitted on: 1/29/2020 6:19:33 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Bruce Anderson	Individual	Support	No

Comments:

Aloha, My name is Bruce Anderson and I am writing in support of this bill with an amendment to increase the minimum wage to \$17 an hour. With 47% of families in Hawaii barely making ends meet, \$13 an hour is not enough to offset our state's high cost of living. It is time for Hawaii to follow the footsteps of other mainland states who have already passed minimum wage increases to \$15 an hour. The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour.

LATE

HB-2541

Submitted on: 1/29/2020 6:52:13 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nick Rosenberg	Individual	Support	No

Comments:

I support this bill, with the following amendment that the minimum wage be raised to 17\$ for the reasoning below

\$13 an hour isn't enough to live on in 2020, much less 2024

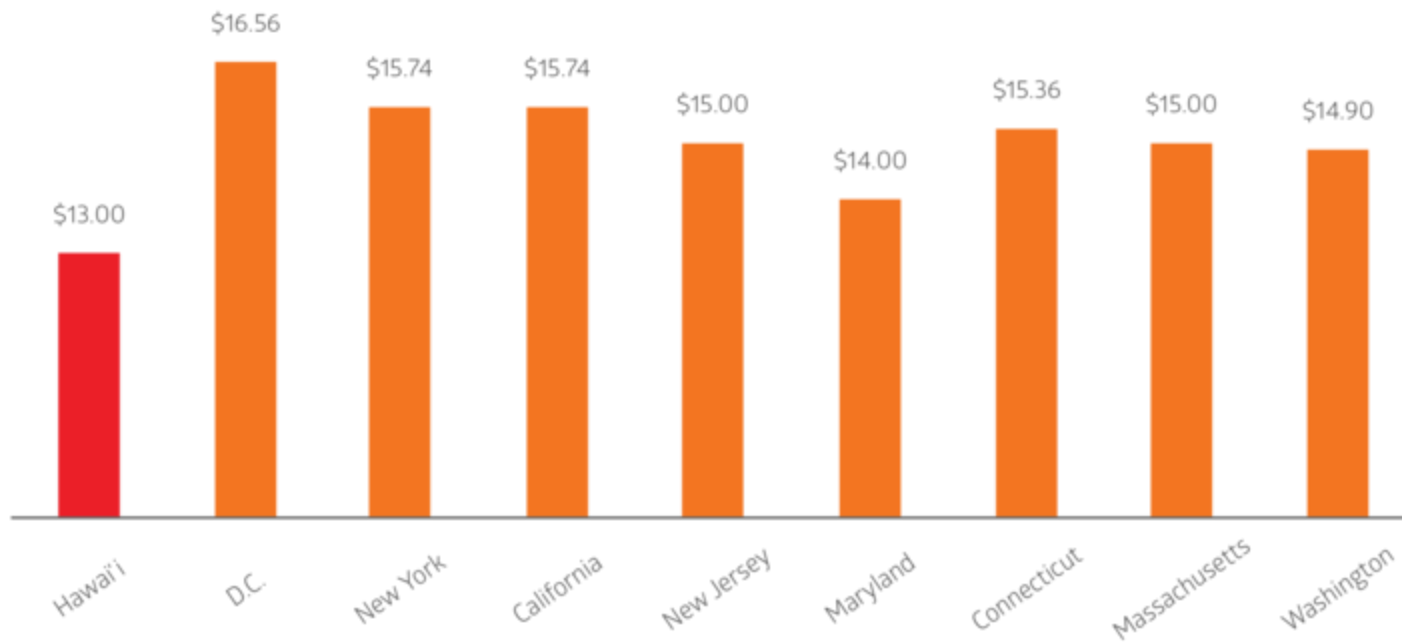
LIVING WAGE

\$13 an hour is about \$27,000 a year for full-time work. That's not enough to live on in 2020, let alone 4 years from now. In the most expensive state in the nation, Hawai'i's minimum wage workers need to make enough to be able to afford the basics.

The last time Hawai'i's minimum wage earners got a raise—to \$10.10 an hour—was January 1, 2018. They already have been stuck at that level—\$21,000 a year for full-time work—for more than 2 years. With inflation eroding their pay, **\$10.10 now is worth only \$9.68**, so full-time minimum wage workers in Hawai'i are losing the equivalent of over \$500 per year to inflation.

Hawai'i's current minimum wage is already lower than in all other highest cost-of-living states. And Hawai'i will be falling further behind. The next 8 most expensive states have passed laws to raise their minimum wages to at least \$15 over the next 5 years—and the cost of living in all of those states is *lower* than in Hawai'i.

\$13 An Hour in 2024 Would Still Be Lower Than the Minimum Wage in the Next 8 Most Expensive Jurisdiction



These other high cost-of-living states also already have *refundable* state earned income tax credits (EITC), meaning that a tax payer can get a refund if their credit is worth more than they owe in income tax, for low-wage and working-class taxpayers.

In addition, EITC-eligible taxpayers in those other states receive a higher percentage of their federal EITC from their states (except in Washington, which doesn't have an income tax) than in Hawai'i. In other words, even if Hawai'i's EITC becomes refundable, minimum wage earners in the next 8 most expensive states will receive more from their EITCs than in Hawai'i.

With those 8 other states—all with lower costs of living than in Hawai'i—already on track to raise their minimum wage **well past \$15** in the coming years, Hawai'i should raise its wage by between \$1 and \$1.50 per year to \$17 an hour by 2025. That would mean an average increase of 11 percent per year—which is less than some of the increases in Hawai'i's minimum wage in the late 1960s, late 1980s, early 1990s, and earlier this century.

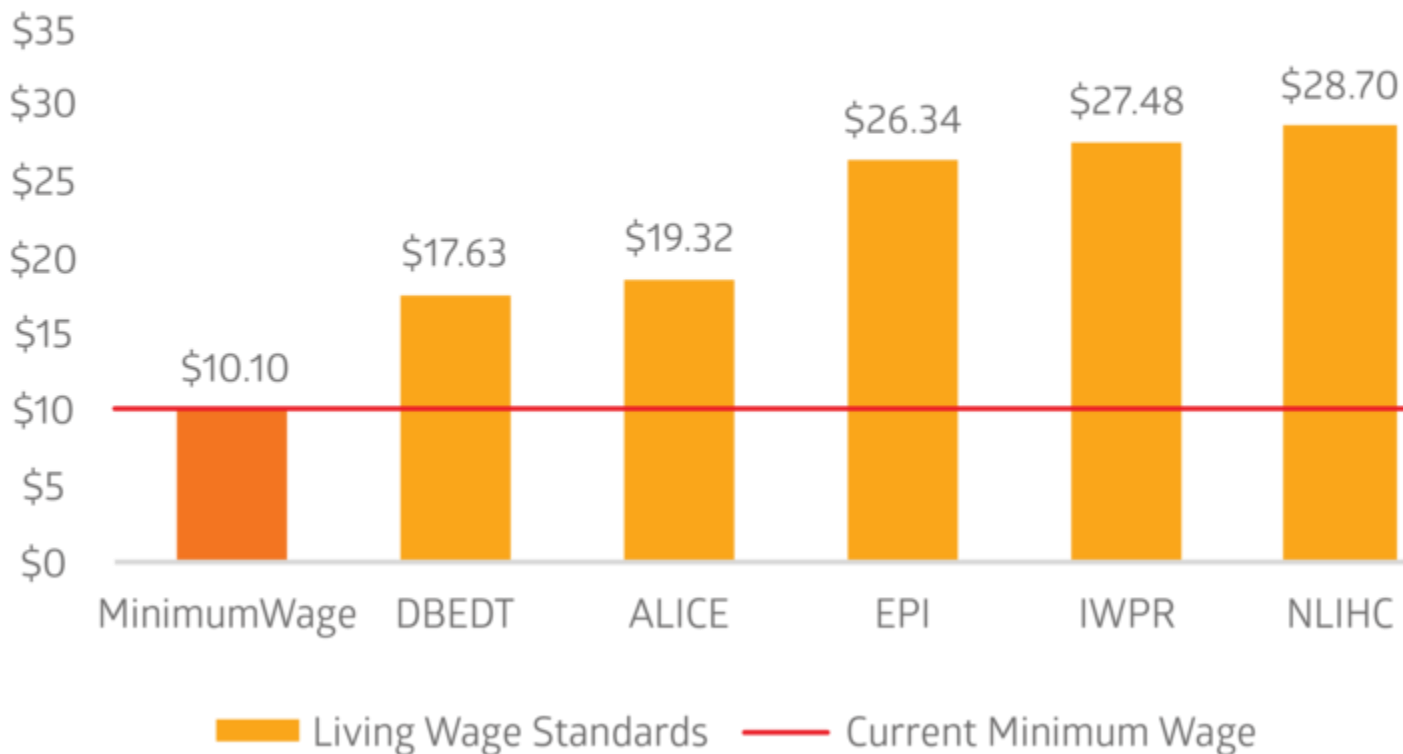
Most Expensive States	State EITC Refundability	Percent of Federal EITC
Hawai'i	Non-Refundable	20
D.C.	Refundable	40
New York	Refundable	30
California	Refundable	85
New Jersey	Refundable	37
Maryland	Refundable	28
Connecticut	Refundable	23
Massachusetts	Refundable	30
Washington	Refundable	10*

*not implemented and no income tax

How much do people need to make ends meet in Hawai'i? Our state Department of Business, Economic Development & Tourism (DBEDT) estimates that a single person with no children in Hawai'i needs to earn **\$17.63** an hour to "meet their basic needs" in

2020. Other research groups have pegged basic economic security in Hawai'i even higher.

What is a Living Wage in Hawai'i in 2020?



In addition to DBEDT, **Aloha United Way** commissioned the “A.L.I.C.E. Report” in 2015, which found that a household of four needs two earners to make **\$19.32** each to survive. The **Economic Policy Institute** calculates Hawai'i's self-sufficiency standard for a single worker with no children at **\$26.34**, while the **Institute for Women's Policy Research** puts that number at **\$27.48**. Meanwhile, the **National Low-Income Housing Coalition** calculates that, to afford a one-bedroom market-rate apartment, a worker needs to make **\$28.70** in 2020.

The difference between \$17 an hour and \$13 an hour is more than **\$8,000 per year for full-time work**. That's much more than the vast majority of low-wage and working-class taxpayers in Hawai'i will receive in tax credits.

In the most expensive state to live in the nation, our struggling low-wage families need bigger tax credits AND a *robust* boost to the minimum wage. Otherwise working-age people in Hawai'i will keep moving away to other states, where they'll be paid more and be able to afford a decent standard of living.

LATE

HB-2541

Submitted on: 1/29/2020 7:32:16 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
shavaun gilliland	Individual	Oppose	No

Comments:

\$13 an hour by 2024 is not enough. This is in no way a sufficient amount of an hourly wage to live on in the state of Hawaii and the delay of 4 years is unacceptable. It is in no way an adequate living wage. WE NEED \$15 NOW and every year from now, work are way up at a \$1.00 an hour till 2025 and reasses the needs of the community there after. The average cost of rent alone in the state is \$2,257.00. A 40 hour work week making a measily \$13 an hour would not even cover rent. Who are we making these laws for ? Corporate benefactors , foreign investors, mainlanders opperating businesses here? Certainly this wage has nothing to do with the best interest of this community. WHO is this state for ? Those looking to profit or those seeing these islands as home? Enough is enough , the time to stand up is Now!

LATE

HB-2541

Submitted on: 1/29/2020 7:35:36 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marilyn Creagan	Individual	Comments	No

Comments:

The minimum wage needs to be much more than \$13/hour in a few years.. It needs to be **\$13/hour NOW** and **increase to a minimum of \$17 in 4 years.** PLEASE respect how hard people are working. HELP them survive.

LATE

HB-2541

Submitted on: 1/29/2020 7:53:11 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Fern Anuenue Holland	Individual	Comments	No

Comments:

Please support a higher minimum wage increase by 2025. \$13 is an insult to working families in Hawai'i and poverty wages.

Mahalo!

HB-2541

Submitted on: 1/29/2020 8:28:06 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Robinson-Onderko	Individual	Support	No

Comments:

Aloha Committee Members,

I support this measure with amendments. I respectfully ask that you amend the bill to raise the minimum wage to \$17 and hour by 2025, at a rate of between \$1 and \$1.50 a year.

Mahalo for your time consideration.

Lynn Robinson-Onderko, Ewa Beach

LATE

HB-2541

Submitted on: 1/29/2020 8:34:18 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Onderko	Individual	Support	No

Comments:

Aloha Committee Members,

I support this measure with amendments. I respectfully ask that you amend the bill to raise the minimum wage to \$17 and hour by 2025, at a rate of between \$1 and \$1.50 a year.

Mahalo for your time consideration.

Rick Onderko, Ewa Beach

LATE

HB-2541

Submitted on: 1/29/2020 8:43:42 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Yuet Mui Kong	Individual	Comments	No

Comments:

Aloha Representative Johanson,

I am a Waianae resident. I support HB2541 with amendment to \$17 per hour. People in Hawaii deserve living wage, not minimum wage.

Numerous studies shows that low-income affects people's health, psychological status, and quality of life. With living wage, Hawaii residents can afford healthy food that nurture human growth and development. This is the basic element for children's physical and cognitive development. This is also the basic element for adult's physical and emotional health when they live financial-stress free.

Living wage provides financial buffer when residents face personal and economical hardship. Without living wage, residents are at risk of becoming homeless. We all know that Hawaii has the 2nd highest homeless rate per capita in the nation.

Without living wage, residents need to work 2 or 3 jobs to make ends meet. If all of the jobs can provide residents with living wage, residents can find job in their living area without commuting far from their home. By working a full time job with living wage, they no longer need to commute between jobs. This will ease Hawaii's traffic problem which is the 9th worst in the nation.

These are just two of the areas that are directly or indirectly caused by low-income. Hence, I strongly support HB2541 with amendment to \$17 per hour.

LATE

HB-2541

Submitted on: 1/29/2020 9:54:03 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ellen Koppenheffer	Individual	Comments	No

Comments:

I'm sorry for the late testimony. It is because I WORK all day so did not see the upcoming meeting announced in the newspaper until reading it this evening.

The other parts of HB2541 seem much more reasonable so my comments are on the minimum wage increase only:

Although raising the minimum by any amount is better than doing nothing at all, as was done in last year's session, this manini proposed increase in the minimum wage is truly shameful--too little and way too late. With no increase at all until 1/1/21 and only \$13/hr. by **1/1/24** how can anyone survive? Why are we surprised that so many people are leaving Hawaii lately and why so many people are homeless, and many of them working people? We really can and should do better than this!

Hawaii has the most expensive cost of living of any state but all of the top 10 states with highest COL are increasing their minimum wages by more than \$10.10 in **2020**, to as much as \$14. If an employee worked at \$11 for 40 hours a week they would only earn \$22,880 per year (before, not after taxes) but with a current average monthly apartment rent of \$1,500 they would spend \$18,000 of those earnings on housing alone, with no money for food, transportation, and other necessary expenses. How does that allow someone to survive and how does that provide any incentive to work?

I believe that the minimum wage should be increased gradually to give employers some time to plan but it should be increased to at least \$12 on 1/1/21 and by \$1/hr. more every year until reaching \$15 on 1/1/24. By 2024 Hawaii will surely lag behind again but at least this would give more people some hope and a reason to work.

KIM COCO IWAMOTO, ESQ.

PO Box 235191
Honolulu, HI 96823
kimcoco@kimcoco.com

Committees on Labor & Public Employment and Finance
Thursday, January 30, 2020, 9 am
Hawai'i State Capitol, Room 309

LATE

Testimony in Support of HB 2541 with SUBSTANTIAL Amendments

Dear Comm. Chairs Johanson & Luke, Vice-Chairs Eli & Cullen and Comm. Members,

\$11/hour in 2021 and \$13/hour in 2024 are TOO LITTLE, TOO LATE.

The 5 year-old ALICE report, put you on notice that the minimum survival wage back in 2015 was \$14/hour. By ignoring the huge gap between the minimum wage and the actual survival wage - you let those families who live paycheck-to-paycheck continue to slip further into debt - and now we know that nearly 7,000 more human lives became homeless in 2019.

When I was on the Board of Education, I asked the Superintendent if the DOE had full-time employees who were so underpaid that their kids were eligible for free-and-reduced lunches in our school. She looked down and replied, "yes."

I was disgusted to learn that the state bargained with unions to keep working families in poverty. I am disgusted now to learn that legislative leadership has bargained with the Chamber of Commerce to continue to keep our lowest wage earners in poverty. How does it serve the state to keep full-time workers' wages so low, that they are forced to rely on government subsidies to feed their children. Likewise, how is the state served, by allowing corporations to get away with poverty wages - so their shareholders pocket more profits.

According to the 2019-2020 federal "income eligibility guidelines" for free-and-reduced lunch, if a single mom, working a full-time job, was earning \$13/hour TODAY - her two kids would still be eligible for not just reduced, but free meals at school. This is what I mean by "too little, too late".

According to the ALICE report, we should have been at \$14/hour in 2015. According to DBED, we should be at \$17/hour today. And if you continue that trajectory, we should be at \$22/hour by 2024. This is the economy many of you have had a hand in designing:

increasing tax loopholes for the rich while disproportionately burdening the poor with a higher General Excise Tax.

And to those armchair economists who promote the fear-fantasy that other costs of living will go up for these families, I can speak to you as a landlord who recognizes that rent is the single largest expense for most low-income families. Except for Section 8 recipients, residential rental prices do not track the income of the tenants. Rental rates are only impacted by the supply and demand of available apartments to tenants. We can bring rates down by flooding the market with affordable rentals.

As a business investor, I have looked at financial pie charts of operating expenses for restaurants and retail stores in Hawaii and compared them to similar businesses on the continent. There is a clear disparity among the relative allocation spent on rent, utilities and labor. Hawaii businesses allocate larger slices to rent/real estate and utilities and consequently lesser allocations to labor. So it is not labor that eats into the profits of Hawaii businesses, it is the rampant inflation of real estate and out of control utility rates. Labor costs in Hawaii have been kept artificially low because it has been easier for the Chamber of Commerce to scapegoat our lowest income earners - instead of calling their high maka maka friends in real estate and utilities to task.

And Zippy's has the nerve to say it cannot afford to pay all of their employees a survival wage but somehow finds the money to keep renovating the Kapahulu store and build fancier and fancier architecture and interiors across Oahu. Keep in mind, all of those architects, drafts people, planners, designers, construction workers, skilled labor - every person contracted to work on these beautiful new restaurants are paid much more than a survival wage - and most of them are men. But Zippy's likes to echo the Chamber and blame the burden of paying waitresses a living wage.

Our state's actions have consequences. Our inaction has consequences. And our half-ass actions have consequences. When you look down and see families sinking deeper as they try to dig themselves out of a 20 foot hole - its not really "helping working families" when you drop down a 10 ladder.

I urge you to amend the minimum wage increases to give our workers a fighting chance to earn survival wages: that means \$17/hour, at the very least, by 2024.

Thank you for your courage to do the right thing and really "help working families" - not just pretending you are helping, and hope no one notices.

A handwritten signature in black ink, appearing to read "Phil Cocchi", with a long horizontal line extending to the right.

INCOME ELIGIBILITY GUIDELINES													
Effective from			July 1, 2019			to			June 30, 2020				
HOUSEHOLD SIZE	FEDERAL POVERTY GUIDELINES		REDUCED PRICE MEALS - 185 %					FREE MEALS - 130 %					
	ANNUAL		ANNUAL	MONTHLY	TWICE PER MONTH	EVERY TWO WEEKS	WEEKLY	ANNUAL	MONTHLY	TWICE PER MONTH	EVERY TWO WEEKS	WEEKLY	
48 CONTIGUOUS STATES, DISTRICT OF COLUMBIA, GUAM, AND TERRITORIES													
1	12,490		23,107	1,926	963	889	445		16,237	1,354	677	625	313
2	16,910		31,284	2,607	1,304	1,204	602		21,983	1,832	916	846	423
3	21,330		39,461	3,289	1,645	1,518	759		27,729	2,311	1,156	1,067	534
4	25,750		47,638	3,970	1,985	1,833	917		33,475	2,790	1,395	1,288	644
5	30,170		55,815	4,652	2,326	2,147	1,074		39,221	3,269	1,635	1,509	755
6	34,590		63,992	5,333	2,667	2,462	1,231		44,967	3,748	1,874	1,730	865
7	39,010		72,169	6,015	3,008	2,776	1,388		50,713	4,227	2,114	1,951	976
8	43,430		80,346	6,696	3,348	3,091	1,546		56,459	4,705	2,353	2,172	1,086
For each add'l family member, add			8,177	682	341	315	158		5,746	479	240	221	111
ALASKA													
1	15,600		28,860	2,405	1,203	1,110	555		20,280	1,690	845	780	390
2	21,130		39,091	3,258	1,629	1,504	752		27,469	2,290	1,145	1,057	529
3	26,660		49,321	4,111	2,056	1,897	949		34,658	2,889	1,445	1,333	667
4	32,190		59,552	4,963	2,482	2,291	1,146		41,847	3,488	1,744	1,610	805
5	37,720		69,782	5,816	2,908	2,684	1,342		49,036	4,087	2,044	1,886	943
6	43,250		80,013	6,668	3,334	3,078	1,539		56,225	4,686	2,343	2,163	1,082
7	48,780		90,243	7,521	3,761	3,471	1,736		63,414	5,285	2,643	2,439	1,220
8	54,310		100,474	8,373	4,187	3,865	1,933		70,603	5,884	2,942	2,716	1,358
For each add'l family member, add			10,231	853	427	394	197		7,189	600	300	277	139
HAWAII													
1	14,380		26,603	2,217	1,109	1,024	512		18,694	1,558	779	719	360
2	19,460		36,001	3,001	1,501	1,385	693		25,298	2,109	1,055	973	487
3	24,540		45,399	3,784	1,892	1,747	874		31,902	2,659	1,330	1,227	614
4	29,620		54,797	4,567	2,284	2,108	1,054		38,506	3,209	1,605	1,481	741
5	34,700		64,195	5,350	2,675	2,470	1,235		45,110	3,760	1,880	1,735	868
6	39,780		73,593	6,133	3,067	2,831	1,416		51,714	4,310	2,155	1,989	995
7	44,860		82,991	6,916	3,458	3,192	1,596		58,318	4,860	2,430	2,243	1,122
8	49,940		92,389	7,700	3,850	3,554	1,777		64,922	5,411	2,706	2,497	1,249
For each add'l family member, add			9,398	784	392	362	181		6,604	551	276	254	127

LATE

HB-2541

Submitted on: 1/29/2020 10:06:19 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Summer Yadao	Individual	Comments	Yes

Comments:

Aloha,

Please do not fast track this bill to show that \$13 an hour is sufficient for the minimum wage here in Hawai'i. There needs to be a drastic change of practices across the board in the government system. You will see that more people will be voting and participating in government because we are DONE with the way things have been done.

Your job is to represent the people and besides a few like Perruso and Tsuneyoshi, there are not many more that actually do the job they're constituents and hearts tell them to do.

\$13 an hour is not enough, will not be enough and you need to make more time for people to voice their concerns about this bill before pushing it forward.

Mahalo,

Summer Yadao

LATE

HB-2541

Submitted on: 1/29/2020 10:36:15 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ma Glodilet Rallojay	Individual	Support	No

Comments:

Aloha Chair Johanson, Vice-Chair Eli and members of the Committee on Labor and Public Employment, and aloha Chair Luke, Vice-Chair Cullen and members of the Committee on Finance:

Thank you for the opportunity to submit testimony in support of HB 2541, with amendments.

I am currently a full-time student at the University of Hawaii at Manoa and work a part-time job on the weekends at a restaurant. My hourly wage is a few cents higher than the minimum wage, but it is not enough. Many of my coworkers work two full-time jobs. One of them starts at 4 in the afternoon to 10 at night in the restaurant and then begins at 11 at night to 7 in the morning at his other job. This has been his routine for over 20 years now. A few weeks ago, he suffered a stroke. In less than two weeks, he has already returned to work, knowing he cannot afford to relax and focus on his health. This is not right.

As I wrap up my last year at UH Manoa, I am worried; worried that I might have to leave my home to pursue better financial opportunities elsewhere; worried that I will not be able to afford living here. My generation is the future of Hawaii. We will be the next teachers, doctors, lawyers, representatives, and senators. But, how will there be a future for Hawaii if the future is leaving for other places because we cannot survive here?

I thank all of you for your commitment to increasing the minimum wage. However, \$13 is not enough. It is not enough to live on in 2020, and it will not be enough four years from now.

Please pass HB 2541 with amendments to raise the minimum wage to \$17 by 2025, at a rate of between \$1 and \$1.50 a year.

Thank you,
Maria Rallojay

HB-2541

Submitted on: 1/29/2020 10:40:27 PM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Danicole Ramos	Individual	Support	No

Comments:

I support increasing the minimum wage, but \$13/hour is not enough. We need to raise the minimum wage to a living wage which is \$17/hour. Our working families are struggling and they need every help they can get to survive in our island.

LATE

HB-2541

Submitted on: 1/30/2020 12:26:54 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Erik Hay	Individual	Oppose	Yes

Comments:

As a business owner, I consider the bill to be an insult to the working people of Hawaii. The idea that a \$13 and hour minimum wage is a living wage would be commical if it wasn't so sad. We need to immediately raise the minimum wage to \$15 and hour with yearly increases of \$2 per hour until we reach \$25 by no later than 2025.

LATE

HB-2541

Submitted on: 1/30/2020 6:56:36 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brenda Ching	Individual	Oppose	No

Comments:

I oppose HB2541 and I believe the minimum wage should be \$15/hr. or higher. We live in a high cost of living State and the proposed amount is too low for workers. Other states have increased their minimum wage to \$15/hr, why haven't we done the same or better?

Increase the minimum wage to \$15/hr or higher, today, not tomorrow. Respect our workers!

Thank you.

Aloha, Brenda Ching

eli2 - Kevin

LATE

From: Joshua Brown-Clay <joshuabrownclay@gmail.com>
Sent: Wednesday, January 29, 2020 3:22 PM
To: LABtestimony
Subject: HB2541

Hello,

\$13 dollars per hour is not a living wage now in Hawaii, and it will be even less so in 2024. Economists have shown time and time again that higher minimum wages only boost the local economy by putting more money into the hands of lower income groups, which tend to spend more locally. Phase it in, by all means, but a living wage here is \$17.

Feel free to contact me. I hope you support this proposed increase!

Best,
Joshua Brown-Clay

eli2 - Kevin

LATE

From: PAMELA BURRELL <pamelaburrell@me.com>
Sent: Wednesday, January 29, 2020 3:53 PM
To: LABtestimony
Subject: HB2541

Aloha Decision makers,

\$13 per hour is not enough! Especially waiting years for that reality. It is a joke.

We have the highest cost of living and yet you are willing to drive off our local workers to other states? This does not make any sense.

A minimum wage of even \$15 per hour is not enough. So why don't we at least start there and sooner than later.

Stand up for our people.. your people ... the voters.

Sincerely,

Pamela Burrell
Kalihiwai, Kaua'i

eli2 - Kevin

LATE

From: Linda Legrande <lindalegrande2243@gmail.com>
Sent: Wednesday, January 29, 2020 5:26 PM
To: LABtestimony
Subject: HB2541

A FAIR AND DECENT LIVING WAGE MUST BE APPROPRIATED THIS YEAR TO HELP THOSE IN OUR COMMUNITIES STRUGGLING TO SURVIVE THE HIGH COST OF LIVING IN HAWAII!!

My position and message on HB2541 is as follows:

"\$13 per hour in 2024 is not a "good first step" and the "other elements of the package" (tax credits and housing initiatives) do not replace the basic need to pay people fair wages for a fair day's work."

THANKS for the opportunity to testify.

Linda Legrande

2243 Mohala Way

Honolulu, HI 96822

eli2 - Kevin

LATE

From: Gabriel Johnson <gabrielforprogress@gmail.com>
Sent: Wednesday, January 29, 2020 5:37 PM
To: LABtestimony
Subject: HB2541 Minimum wage testimony

Aloha,

I'm Gabe Johnson a Lana'i city resident. I am testifying on House Bill 2541 in regards to Hawaii's minimum wage.

Thirteen dollars is too low. Its a minimum wage. A MINIMUM WAGE. Its unbelievable that in this day and age we have to grovel for the scraps while the tourism industry is breaking records every year.

Please allow our workers to have some dignity while they work hard in a state that is very expensive. We all know that something needs to be done. If this is the best our State legislators can do than I am very unimpressed.

Thirteen dollars is not enough. Everyone knows it. The working poor know it the most. Thirteen dollars is not enough.

Gabe Johnson

eli2 - Kevin

LATE

From: Andrea Brower <abro262@aucklanduni.ac.nz>
Sent: Wednesday, January 29, 2020 6:19 PM
To: LABtestimony
Subject: HB2541

Hawaii's people deserve a living wage. \$13 is poverty -- it is insulting to the workers that make our economy function.

eli2 - Kevin

LATE

From: Jacquie E. <esserjt@gmail.com>
Sent: Wednesday, January 29, 2020 11:14 PM
To: LABtestimony
Subject: HB2541

Although I commend the efforts in moving our working families towards a more family sustaining wage, \$13 per hour in 2024 is not a “good first step” and the other elements of the package do not replace the basic need to pay people fair wages for a fair day’s work.

I would like to urge you to consider allowing legislators to publicly vote on what a clear and strong majority of them have said they publicly support, which is at least \$15 per hour. An even better first step would be passing a measure that reaches the \$17 target and includes annual cost of living increases.

In order to keep our communities safe and prevent crime from occurring, we need to start implementing policies that are known to prevent crimes, like more education, more job opportunities, school enrichment activities, and a basic living wage. Higher wages reduce both property and violent crime, as well as crime among adolescents.

Mahalo for the opportunity to submit comments,

Jacquelyn Esser

From: Karen S <karen.shishido@gmail.com>
Sent: Wednesday, January 29, 2020 11:59 PM
To: LABtestimony
Subject: HB 2541: Please Rally for a Livable Wage For Working Families - Oppose \$13/hour!

Dear Members of the Labor and Finance Committee:

I support the Earned Income Tax Credit provisions in HB 2541, but strongly oppose the suggested increase in the minimum wage to \$13.00 by 2024.

The Hawaii Department of Business, Economic Development and Tourism (DEBDT) has determined that for a single person without children the hourly wage needed to simply “subsist” is approximately \$17.50 per hour (plus or minus depending on the island, etc). Note this is the State of Hawaii’s official “subsistence wage” and includes no-frills whatsoever...just the basics of staying alive. The proposed timetable simply does not do enough, fast enough for working families that this bill is supposed to support.

Further:

- No one can survive on \$10.10 an hour in Hawai‘i.
- Keiki suffer when parents must work multiple jobs to make ends meet.
- In minimum wage earning families, parents often skip meals and kupuna skip medication doses just to make rent.
- It is impossible for young people to build lives for themselves with wages so low, and that's why they are leaving Hawai‘i forever.
- When businesses do not pay their workers enough to survive, taxpayers are forced to make up the difference in the form of government benefit programs.
- A full 20% of all Hawai‘i residents would benefit if we created a genuine living wage of \$17 an hour, giving the economy a massive boost in consumer spending.

Please consider revising the minimum wage provisions in this bill. With 48% of our population at ALICE levels, we need to do much more. We will end up paying one way or the other when our most vulnerable citizens fall through the cracks because of our desperately high cost of living.

Thank you for the opportunity to offer these comments.

Sincerely,

Karen Shishido

96822

eli2 - Kevin

LATE

From: Jo Amsterdam <joamsterdam@hotmail.com>
Sent: Thursday, January 30, 2020 5:40 AM
To: LABtestimony
Subject: Fw: 13 dollars per hour

From: Jo Amsterdam
Sent: Wednesday, January 29, 2020 7:45 AM
To: LABtestimony@capital.hawaii.gov <LABtestimony@capital.hawaii.gov>
Subject: 13 dollars per hour

Aloha,

Please consider that right now 13 dollars an hour is NOT a living wage here in Hawaii...in 2023 it will be even less so. We need much more per hour to be a real living wage. To be equal to what people were paid in the 1960's middle class wages would have to be around 40 dollars per hour. One job for a 4 person household was plenty...now here the 2 adults work 2 and 3 jobs and still do not earn the amount needed. Let's consider a much bigger increase for our hardworking citizens. Mahalo Jo Amsterdam

HB-2541

Submitted on: 1/30/2020 7:42:10 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Rena Hindman	Individual	Oppose	No

Comments:

This bill has some very good items in it, the increase in the minimum is not one of them. It is unacceptable. Working people are being pushed out on the street everyday. We need at least 17 dollars an hour and not in 4 years. We need it now, it's a state of emergency!!

Aloha,

Rena Hindman

HB-2541

Submitted on: 1/30/2020 7:42:53 AM

Testimony for LAB on 1/30/2020 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Takemoto	Individual	Support	No

Comments:

Aloha, My name is Michelle Takemoto and I am writing as a member of Faith Action for Community Equity. I am also the daughter of former legislator, Rev. Bob Nakata.

I am writing in support of this bill, however it needs to be amended to increase the minimum wage to \$17 an hour by 2025.

There are over 88,000 minimum wage workers in Hawai'i, making up 14 percent of our total workforce. These are our friends, our family members, our neighbors, our students, and even our teachers. With 47% of families in Hawaii barely making ends meet, \$13, and even \$15 an hour is not enough to offset our state's high cost of living. Not only would raising the minimum wage help to improve the living standards of affected Hawai'i workers, it would also strengthen local businesses, as low-wage workers plow almost every additional dollar of earnings back into the local economy

Decades of research has shown that past minimum wage increases have achieved their intended effects in other locations around the nation: raising pay for low-wage workers with little to no negative impact on employment. The overwhelming majority of research suggests that costs to consumers rise by less than 5 percent—typically far less—over several years.

- The majority of affected workers would be women (55.7 percent).
- Close to half of women working in Hawai'i would be affected (47.8 percent).
- 46.4 percent of Native Hawaiian workers, and 64.3 percent of Pacific Islander workers, would be affected by the minimum wage increase.
- Over a quarter (28.7 percent) of affected workers would be parents. Over half (52.9 percent) of single parents would be affected.
- Only 4.5 percent of directly or indirectly affected workers would be teenagers. Over three in four (78.3 percent) of affected workers would be age 25 or older.
- Over half (51.1 percent) of affected workers have at least some college education.
- Nearly two-thirds (65.8 percent) of retail workers, and over four in five (80.6 percent) restaurant and food service workers would be affected.

The longer we wait to take action, the more difficult it will be for working people to catch up, and residents will continue to leave the islands. Please pass a Living Wage of \$17 an hour by 2025.

Thank you for this opportunity to testify.

eli2 - Kevin

LATE

From: Aloha Theatre Kauai <alohatheatrekauai@gmail.com>
Sent: Thursday, January 30, 2020 8:07 AM
To: LABtestimony
Subject: A living wage is necessary

It is essential that the minimum wage should be at least \$15 per hour with annual cost of living increases...I know too many folks who have full time jobs, yet cannot afford basic living needs. Please listen to your voters and just look around at the conditions some have to live in because they cannot afford basic housing....It is all of our Kuleana to Malama our Ohana and especially our Keiki!

Mahalo,

**Lynn Danaher
Aloha Theatre Inn
3795 Hanapepe Road
PO Box 830
Hanapepe, Kauai
Hawaii, 96716
(808)755-8045**